DEPARTMENT

City and County of San Francisco • 1660 Mission Street, Suite 500 • San Francisco, California • 94103-2414

MAIN NUMBER	DIRECTOR'S OFFICE	ZONING ADMINISTRATOR	PLANNING INFORMATION	COMMISSION CALENDAR
(415) 558-6378	PHONE: 558-6411	PHONE: 558-6350	PHONE: 558-6377	INFO: 558-6422
	4TH FLOOR	5TH FLOOR	MAJOR ENVIRONMENTAL	INTERNET WEB SITE
	FAX: 558-6426	FAX: 558-6409	FAX: 558-5991	WWW.SFGOV.ORG/PLANNING

To Interested Parties Regarding the Attached Preliminary Mitigated Negative Declaration:

A Preliminary Mitigated Negative Declaration (PMND) is being sent to you because you own property adjacent to the site, or because you have expressed an interest in the proposed project or the project area. Notice of publication of this document was printed in a newspaper of general circulation on the day that this was mailed to you.

Prior to consideration of the proposed project by decision makers (which may result in either approval or ›artment is required to complete an environmental evaluation. In ›ent, the Department's Major Environmental Analysis Division has d has determined that it could not **significantly** affect the environment. ›e Declaration containing this determination with supporting reasons is

he date of publication indicated on the first page of the Preliminary ›ny person may:

›rials for informational purposes.

for amendment of the text. (Text may be amended to clarify or correct to include additional relevant issues or to cover issues in greater depth. ›eal described below). - OR -

› of no significant effect in a letter that specifies the grounds for such onmental impact report (EIR) be prepared. Send the appeal letter to the Paul Maltzer, 1660 Mission Street, Suite 500, San Francisco CA, 94103. **ed by a check in the amount of $200.00 payable to the Planning ived by 5 p.m. on the 20th day following the date of the publication ›e Preliminary Mitigated Negative Declaration**. The appeal letter and person at the Planning Information Counter on the first floor at 1660 Mission Street, San Francisco.

An appeal requires the Planning Commission to determine whether or not an EIR must be prepared, based upon whether or not the project could have a substantial adverse effect on the physical environment. If an appeal is filed, there will be a public hearing at which anyone may testify for or against the contention that an EIR is required. In the absence of an appeal, the Negative Declaration shall be made final, subject to necessary modifications, at the end of the 20-day review period.

Please note that preparation or finalization of a Negative Declaration does not indicate a decision by the City to approve or to disapprove the proposed project. However, prior to making any such decision, the decision makers must review and consider the information contained in the Negative Declaration.

have any questions concerning the attached materials or this process, please contact the planner ied as the "Agency Contact Person" on the PMND cover page.

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Prior to consideration of the proposed project by decision makers (which may result in either approval or disapproval), the Planning Department is required to complete an environmental evaluation. In conformance with this requirement, the Department's Major Environmental Analysis Division has evaluated the current proposal and has determined that it could not **significantly** affect the environment. A Preliminary Mitigated Negative Declaration containing this determination with supporting reasons is enclosed.

Within 20 calendar days from the date of publication indicated on the first page of the Preliminary Mitigated Negative Declaration, any person may:

1) Review the attached materials for informational purposes.

2) Make recommendations for amendment of the text. (Text may be amended to clarify or correct statements and may be expanded to include additional relevant issues or to cover issues in greater depth. This may be done without the appeal described below). - OR -

3) Appeal the determination of no significant effect in a letter that specifies the grounds for such appeal and requests that an environmental impact report (EIR) be prepared. Send the appeal letter to the Planning Department, Attention: Paul Maltzer, 1660 Mission Street, Suite 500, San Francisco CA, 94103. **The letter must be accompanied by a check in the amount of $200.00 payable to the Planning Department, and must be <u>received</u> by 5 p.m. on the 20th day following the date of the publication indicated on the first page of the Preliminary Mitigated Negative Declaration**. The appeal letter and check may also be presented in person at the Planning Information Counter on the first floor at 1660 Mission Street, San Francisco.

An appeal requires the Planning Commission to determine whether or not an EIR must be prepared, based upon whether or not the project could have a substantial adverse effect on the physical environment. If an appeal is filed, there will be a public hearing at which anyone may testify for or against the contention that an EIR is required. In the absence of an appeal, the Negative Declaration shall be made final, subject to necessary modifications, at the end of the 20-day review period.

Please note that preparation or finalization of a Negative Declaration does not indicate a decision by the City to approve or to disapprove the proposed project. However, prior to making any such decision, the decision makers must review and consider the information contained in the Negative Declaration.

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PRELIMINARY MITIGATED NEGATIVE DECLARATION

Date of Publication of Preliminary Mitigated Negative Declaration: July 23, 2005

Lead Agency: Planning Department, City and County of San Francisco
1660 Mission Street, 5th Floor, San Francisco, CA 94103

Agency Contact Person: Carol Roos **Telephone:** (415) 558-5981

Project Title: 2004.0392E – 900 North Point Street, Ghirardelli Square Rehabilitation and Hotel
Project Sponsor: Cocoa Development Associates
Project Contact Person: Joe Nootbaar **Telephone:** (415) 546-7766

Project Address: 900 North Point Street, San Francisco, California
Assessor's Block(s) and Lot(s): 452/1
City and County: San Francisco

Project Description: The project includes a change of use for a portion of Ghirardelli Square, associated alterations and seismic upgrading of associated structures. The proposed project would convert all existing office use (about 62,000 gross square feet (gsf)), and some retail use (about 43,700 gsf), at Ghirardelli Square to hotel use including about 100 rooms (105,700 gsf). The remaining approximately 84,300 gsf of retail space would remain. The project would include interior and exterior alterations to the Clock Tower, Mustard, Cocoa, Chocolate, Infill and Woolen Mill Buildings, and seismic strengthening of the Mustard, Cocoa and Chocolate Buildings. No new buildings, or additions to buildings, would be constructed, and there would be no change to the existing, 295-space garage. Ghirardelli Square is an historic resource, individually listed on the National Register of Historic Places, and designated San Francisco Landmark No. 30. The project site is generally along the south and west frontages of Ghirardelli Square, a complex of 11 buildings constructed from 1862 to 1968, and several plazas. It is located at 900 North Point Street (the whole of Assessor's Block 452, consisting of Lot 1), within a C-2 (Community Business) Use District, the Northern Waterfront Special Use District No. 2, and a 40-X Height and Bulk District. The project requires Conditional Use authorization for a hotel use in a C-2 district from the San Francisco Planning Commission, and a Certificate of Appropriateness for exterior alterations to a designated building from the San Francisco Planning Department. The project sponsor also intends to seek Federal rehabilitation tax credits.

THIS PROJECT COULD NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. This finding is based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance) and 15070 (Decision to Prepare a Negative Declaration), and the following reasons as documented in the Environmental Evaluation (Initial Study) for the project, which is attached.

Mitigation measures are included in this project to avoid potentially significant effects. See attached Initial Study, pp. 53-57.

cc: Michela Alioto-Pier, Board of Supervisors, District 2
Glenn Cabreros, NW Team
Mark Luellen, Preservation Coordinator, San Francisco Planning Department
Joe Nootbaar, Project Sponsor
Aaron Peskin, Board of Supervisors, District 3
Joel Yodowitz, Esq., Project Attorney
Distribution List
Bulletin Board
L. Fernandez/Master Decision File

INITIAL STUDY
900 NORTH POINT STREET
Ghirardelli Square Rehabilitation and Hotel
Case No. 2004.0392E

INTRODUCTION

The project includes a change of use for a portion of Ghirardelli Square, associated alterations and seismic upgrading of associated structures. The proposed project would convert all existing office use (about 62,000 gross square feet (gsf)), and some retail use (about 43,700 gsf), at Ghirardelli Square to hotel use including about 100 rooms (105,700 gsf). The remaining approximately 84,300 gsf of retail space would remain. The project would include interior and exterior alterations to the Clock Tower, Mustard, Cocoa, Chocolate, Infill and Woolen Mill Buildings, and seismic strengthening of the Mustard, Cocoa and Chocolate Buildings. No new buildings, or additions to buildings, would be constructed, and there would be no change to the existing, 295-space garage.

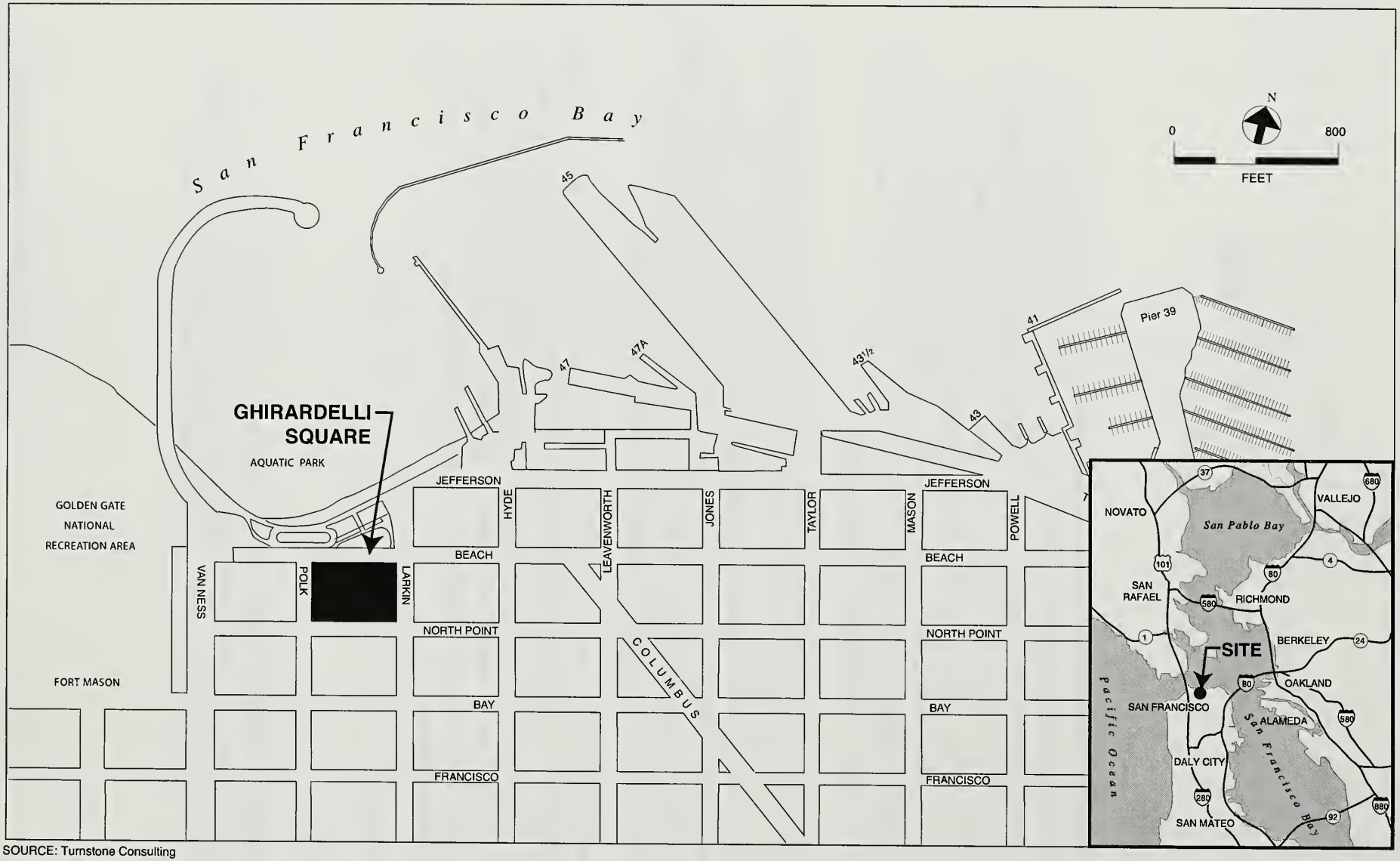
Ghirardelli Square is an historic resource, individually listed on the National Register of Historic Places, and designated San Francisco Landmark No. 30. The project site is the development site within Ghirardelli Square, generally along its south and west frontages. Ghirardelli Square is a complex of 11 buildings constructed from 1862 to 1968, and several plazas, located at 900 North Point Street (the whole of Assessor's Block 452, consisting of Lot 1), within a C-2 (Community Business) Use District, the Northern Waterfront Special Use District No. 2, and a 40-X Height and Bulk District.

The project requires Conditional Use authorization for a hotel use in a C-2 district from the San Francisco Planning Commission (Planning Code Section 216(b)), and a Certificate of Appropriateness for exterior alterations to a designated building from the San Francisco Planning Department (Planning Code Article 10). The project sponsor also intends to seek Federal rehabilitation tax credits, which requires that the project comply with the *Secretary of the Interior's Standards for Rehabilitation*. (Please see pp. 9-18 for a more detailed project description.)

PROJECT SETTING

Project Location

The Ghirardelli Square Rehabilitation Project site (the "project site") is within a full city block bounded by Beach Street to the north, Larkin Street to the east, North Point Street to the south, and Polk Street to the west (see Figure 1: Project Location, p. 2). The approximately 2.6-acre (113,437-square-foot)



SOURCE: Turnstone Consulting

FIGURE 1: PROJECT LOCATION

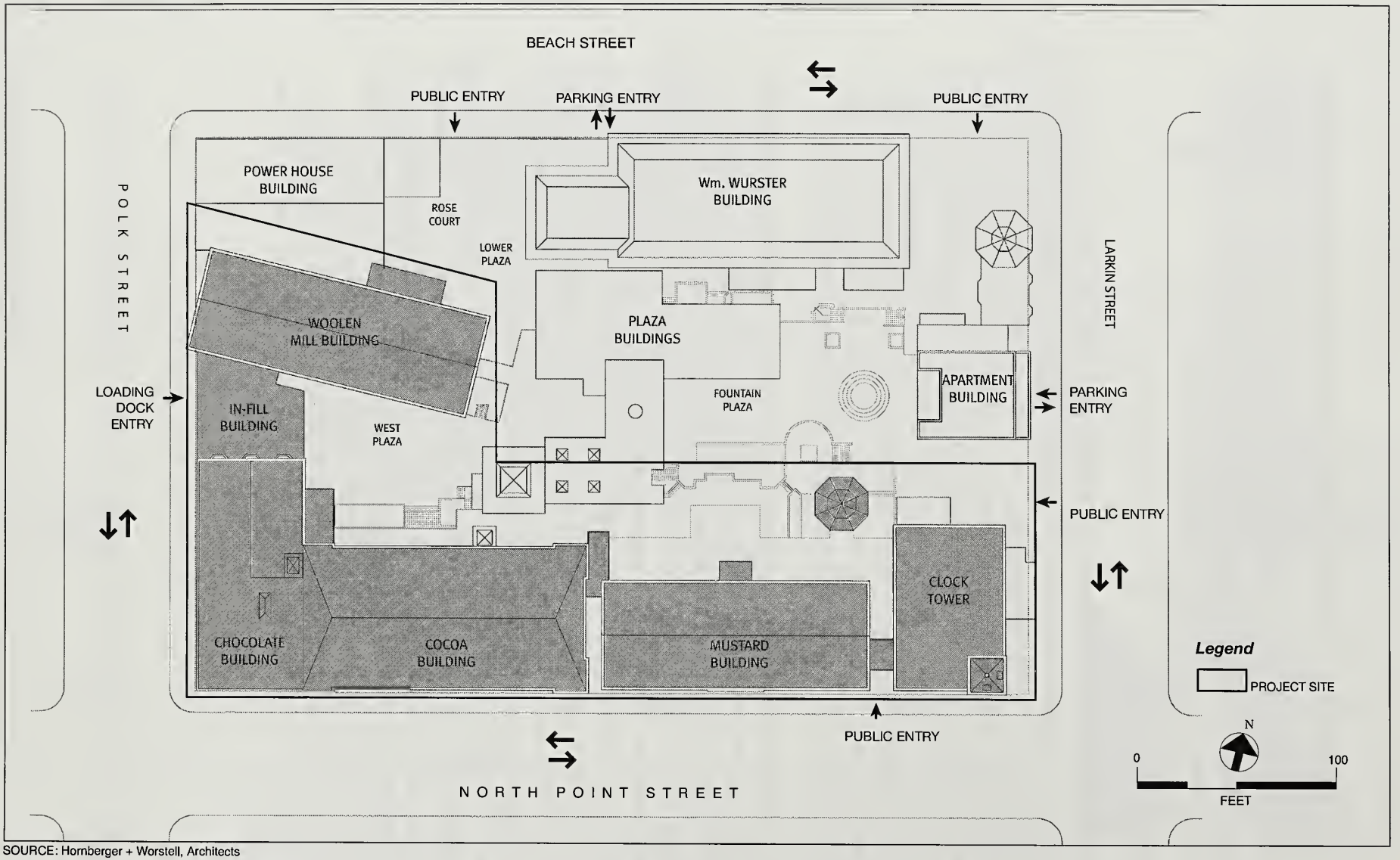
Ghirardelli Square is designated San Francisco Landmark No. 30 (see Figure 2: Existing and Proposed Site Plan). The project site is located in Assessor's Block 452/Lot 1, and is within a C-2 (Community Business) Use district, a 40-X Height and Bulk district, and the Northern Waterfront Special Use District No. 2. Ghirardelli Square is in the northern waterfront neighborhood of San Francisco, across Beach Street from San Francisco Bay.

Site Conditions

Ghirardelli Square, a complex of 11 buildings dating from 1862 to 1968, is one of San Francisco's most prominent culturally, historically, and architecturally significant landmarks. In addition to being a locally designated landmark, the property is individually listed on the National Register of Historic Places and is included in the California Register of Historical Resources. Ghirardelli Square is a specialty retail and office complex and is part of the varied commercial land uses that serve the greater Fisherman's Wharf area. Currently, Ghirardelli Square contains a total of approximately 355,000 gross square feet (gsf) comprised of the following: 128,000 gsf of retail; 62,000 gsf of office; and 165,000 gsf of below-grade parking (295 parking spaces). Vehicular access to the below-grade parking is through two vehicular exit/entry points, one mid-block along Larkin Street, and the other mid-block along Beach Street.

Buildings of the Ghirardelli Square complex along Polk Street, beginning at the northwest corner of the block where Polk Street intersects Beach Street, include the Powerhouse Building (no changes are proposed by the project), the Woolen Mill Building, the Infill Building, and the Chocolate Building (see Figure 3: Existing View Southeast Along Polk Street From Beach Street, p. 5). The Chocolate Building continues around the corner eastward along North Point Street, followed by the Cocoa Building, the Mustard Building, and the Clock Tower Building (see Figure 4: Existing View East Along North Point Street From Polk Street, p. 6, and Figure 5: Existing View of Clock Tower Building, p. 7). The Clock Tower Building continues around the corner northward along Larkin Street, followed by the Apartment Building[1] (no changes are proposed by the project). At the corner of Larkin and Beach Streets is a landscaped stairway leading to the interior of Ghirardelli Square (no changes are proposed by the project) (see Figure 6: Aerial View Showing Plaza and Plaza Facades of the Clock Tower, Mustard, Cocoa and Chocolate Buildings, p. 8). Further west along Beach Street is the Wurster Building (no changes are proposed by the project), and, at the interior of Ghirardelli Square are two Plaza Buildings and a series of landscaped plazas, courtyards, terraces, and stairways (no changes are proposed by the project). Ghirardelli Square is accessible to the public from the corner entrance stairway at Larkin and Beach Streets or by three pedestrian entrance points along Beach Street, North Point Street, and Larkin Street, shown in Figure 6.

[1] The "Apartment Building" was originally built as two flats. It no longer contains residential units and has been converted to retail use.

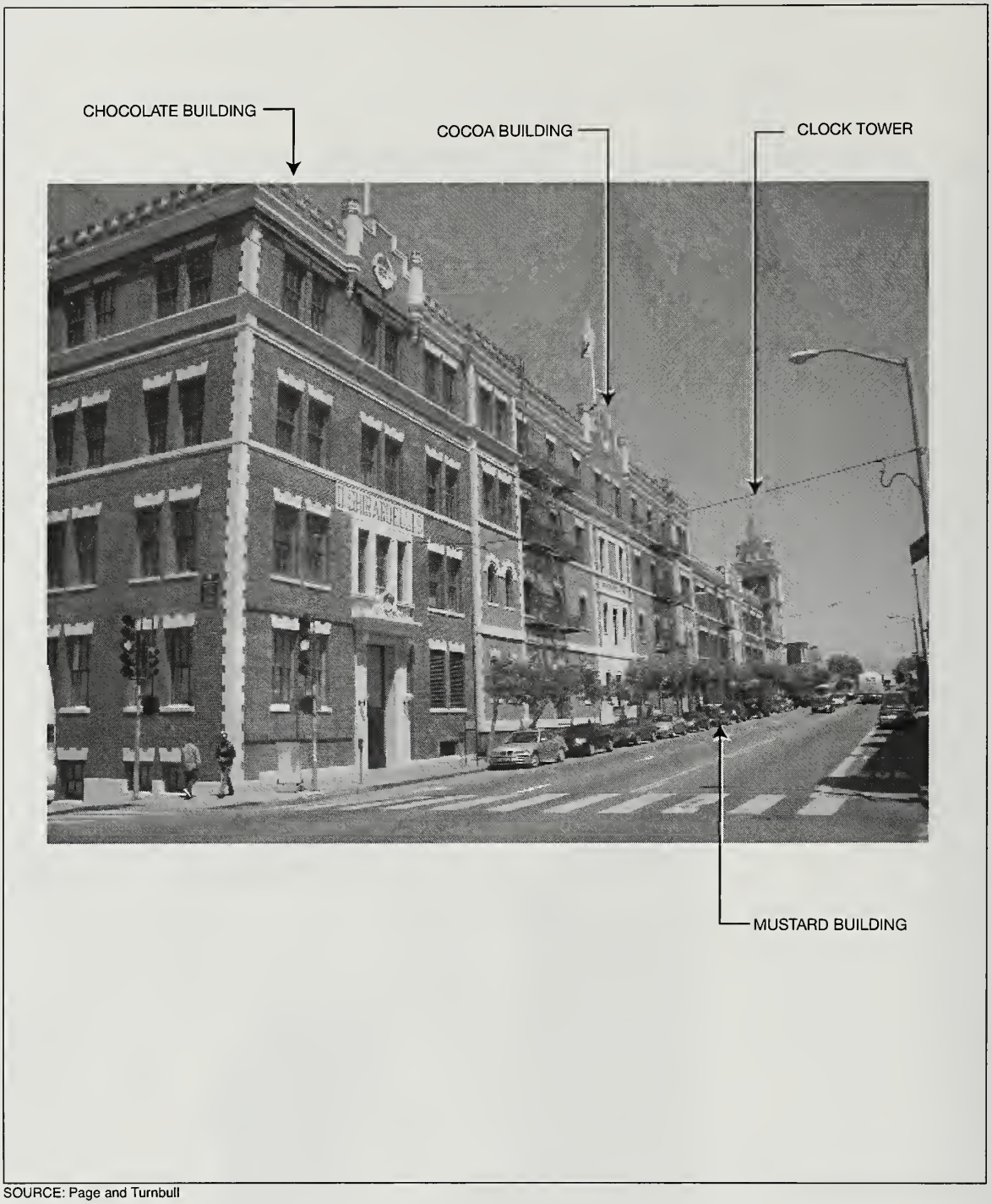


SOURCE: Hornberger + Worstell, Architects

NOTE: Uses would change under the proposed project. However, the site plan would remain the same.

FIGURE 2: EXISTING AND PROPOSED SITE PLAN

SOURCE: Page and Turnbull



SOURCE: Page and Turnbull

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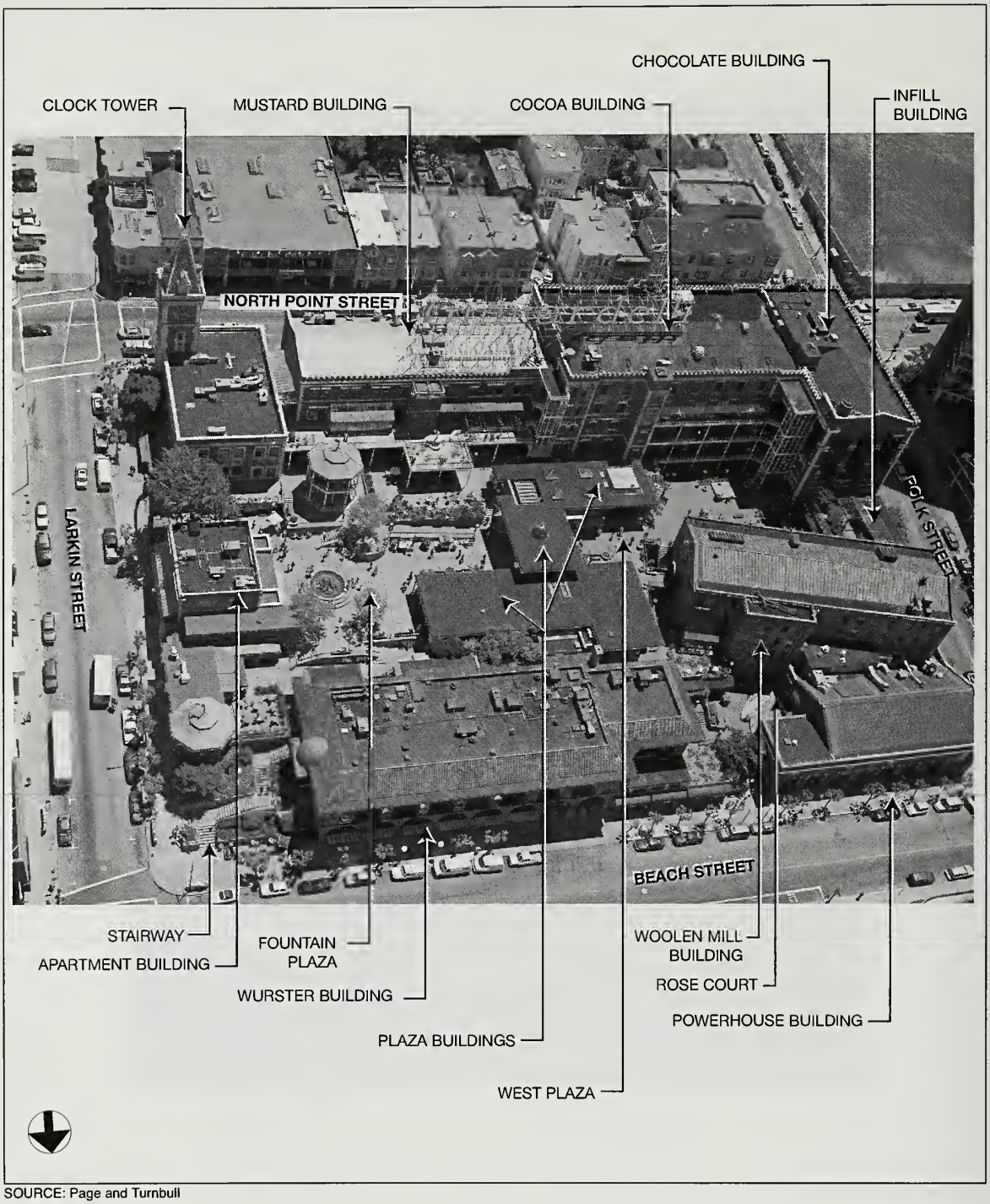


SOURCE: Page and Turnbull

Ghirardelli Square slopes upward about 35 feet from north to south (from Beach Street to North Point Street). Buildings and plazas of the Ghirardelli Square complex step up the slope. The complex has seven levels. Level 1 of the complex includes the ground floor of the buildings along Beach Street. Level 2 includes the upper level of buildings along Beach Street and the level of Rose Court up the stairway from Beach Street (no changes are proposed under the project to Levels 1 and 2 and the below-grade garage levels). The levels of the complex affected by the proposed project begin at Level 3, which includes the basement of buildings along North Point Street and the Infill Building loading docks. Level 4 includes the ground-floor level of buildings along North Point Street, the third floor of the Woolen Mill Building, and generally includes the central plaza. Level 5 of the complex is the second floor of buildings along North Point Street. Level 6 is the third floor of buildings along North Point Street. Level 7 of the complex is the fourth floor of buildings along North Point Street.

Surrounding Development

Ghirardelli Square is part of a commercial corridor along Beach Street generally between Powell and Polk Streets that continues the visitor-serving commercial uses of Fisherman's Wharf (also C-2, Community Business District). Hotels (such as the Sheraton, the Courtyard, the Marriott, and Holiday Inn) are prominent features along Beach Street in the heart of Fisherman's Wharf, east of Columbus Avenue. There are parking garages and surface parking lots along Beach Street at Fisherman's Wharf, with several in the greater project vicinity, including the Anchorage Garage (500 Beach Street), the North Point Garage (915 North Point), the Holiday Inn Garage (100 Columbus Avenue), and a garage at 655 Beach Street. Immediately to the north of Ghirardelli Square across Beach Street are Aquatic Park and San Francisco Bay. Aquatic Park (P, Public Use District) is part of the San Francisco Maritime National Historic Park, administered by the National Park Service. Aquatic Park includes expansive landscaped public open space, a sand beach and a location for swimming and other types of water recreation, and the National Maritime Museum at the northern terminus of Polk Street. Immediately east of Ghirardelli Square, across Larkin Street, and south across North Point, low- to medium-scale (generally three-story), multi-family residential uses predominate (RH-3, House, Three Family District). South of Ghirardelli Square, across North Point, are neighborhood-serving retail uses (NC-1, Neighborhood Commercial Cluster District). Galileo High School is southwest of Ghirardelli Square (P, Public Use District). To the west of Ghirardelli Square, across Polk Street, are two high-rise residential towers, the Fontana Apartments (within a RM-4, Residential Mixed District, High Density District).

Project Description

The project sponsor owns the Ghirardelli Square property. The proposed project involves changes in use at the project site to eliminate the existing office space and some retail space and replace them with a new hotel use. The project would include physical alterations to the Woolen Mill Building, Infill Building, Chocolate Building, Cocoa Building, Mustard Building, and Clock Tower (comprising the area of proposed work as delineated on Figure 2, p. 4) to accommodate the new hotel use and continuing retail

use. As required for the proposed changes in use, the proposed alterations would include seismic strengthening to bring the currently unreinforced masonry buildings into conformity with San Francisco Building Code requirements. No new buildings, horizontal additions, or vertical additions to any buildings would be constructed under the proposed project. No changes in use or physical alterations are contemplated to the Apartment Building, the Wurster Building, the Plaza Buildings, or the Powerhouse Building. These buildings would continue in their present retail use. No changes are proposed for the existing below-grade parking garage. Pedestrian access points to the plaza from Beach, North Point, and Larkin Streets would be retained.

The proposed change in use would create a new, approximately 100-room, 105,700-gsf hotel by converting all 62,000 gsf of existing office space and 43,700 gsf of existing retail space at Ghirardelli Square to hotel use (see Table 1: Proposed Changes in Use). The proposed project would retain about 84,300 square feet of existing retail space (comprised of about 8,200 gsf of reconfigured and/or relocated retail space within the area of proposed work, and about 76,100 gsf of retail space outside of the area of proposed work that would remain in place). The existing 295-space below-grade parking garage would be retained and would not be affected by the proposed project.

Table 1: Proposed Changes in Use (in gsf)

Use	Existing	Proposed	Change
Office	62,000	0	-62,000
Retail	128,000	84,300	-43,700
Hotel (100 rooms)	0	105,700	+105,700
Parking (295 spaces)	165,000	165,000	0
TOTAL	355,000	355,000	0

Source: Turnstone Consulting

At the hotel basement (Level 3 of the Ghirardelli complex), the proposed project would incorporate the existing Infill Building loading docks along Polk Street (see Figure 7: Proposed Hotel Basement (Level 3), p. 12). The basement would also contain accessory hotel uses (mechanical, storage, and other hotel facility and service space) within the Chocolate Building and the Cocoa Building. The accessory hotel uses would be accessible by elevator from the hotel lobby above or by stairway.

At the hotel ground floor (Level 4 of the Ghirardelli complex) the hotel lobby would be located in the Chocolate Building (see Figure 8: Proposed Hotel Ground Floor (Level 4), p. 13). The entrance to the lobby would be through the existing entryway to the Chocolate Building, on North Point Street near the corner of Polk Street. The project sponsor would apply to the Department of Parking and Traffic (DPT) for a new 80-foot passenger loading/unloading (white) zone in the front of the hotel entry on North Point

Street at Polk Street. It is anticipated that valet service for the hotel would be provided at this passenger loading/unloading zone. The existing 40-foot passenger loading/unloading zone on North Point Street near Larkin Street would be maintained.

The elevator lobby and ground-floor guest rooms in the adjacent Cocoa Building and guest rooms in the Mustard Building would be reached through corridors and internal connections between the buildings from the hotel lobby. Additional secondary access points would be available at the Mustard Building on North Point Street. The Clock Tower Building at the ground floor level would also contain guest rooms on the plaza side. The Clock Tower would retain a street-oriented retail presence at the corner of Larkin and North Point Streets. The existing ground-floor retail space in the Woolen Mill Building, the Infill Building, the Mustard Building, and in two new retail pavilions (created by enclosing space beneath existing plaza deck structures at the Mustard Building) would be oriented toward the plaza.

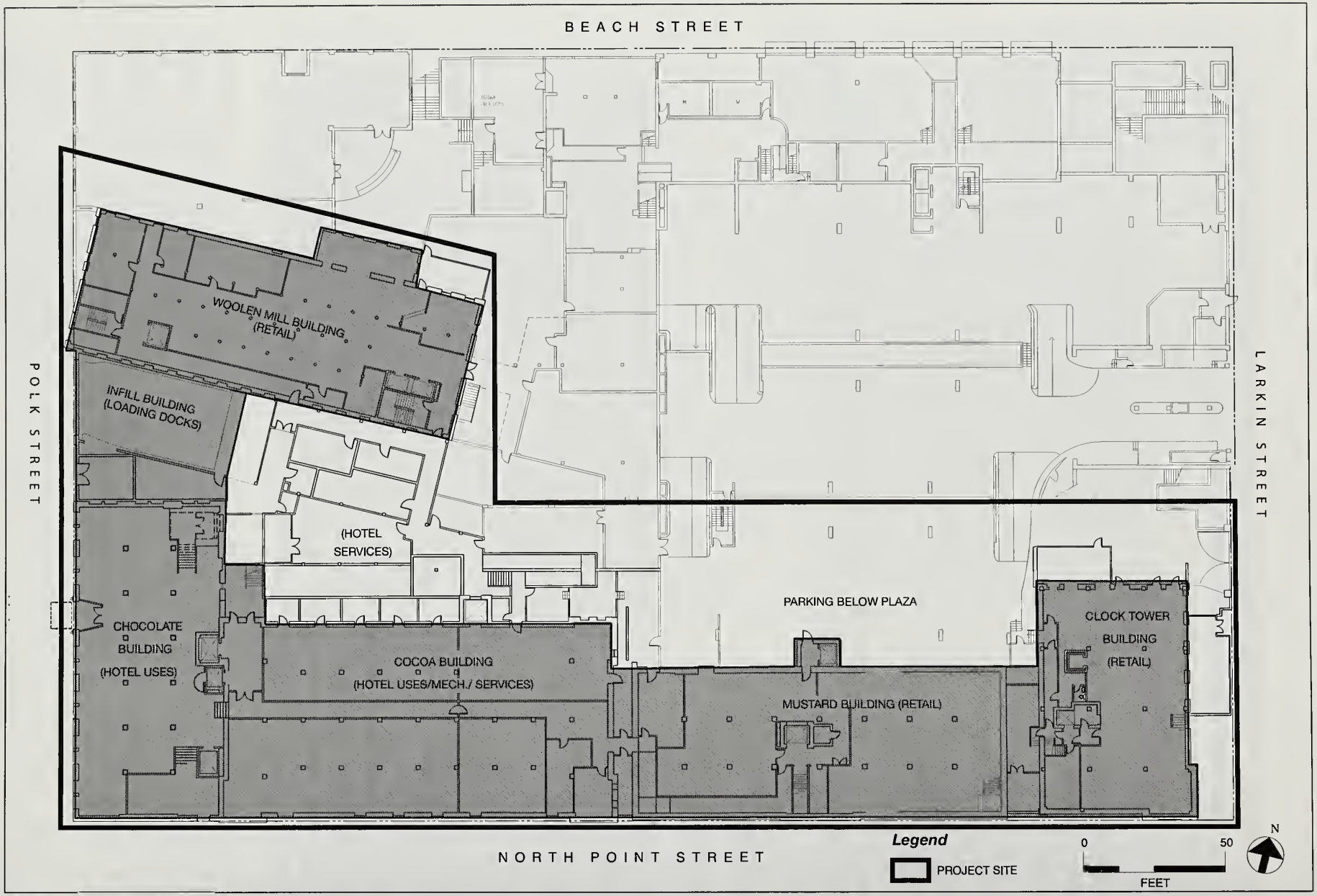
The second-to-fourth floors of the proposed hotel (Levels 5-7 of the Ghirardelli complex) would be devoted entirely to hotel use (see Figure 9: Proposed Hotel Second Floor (Level 5) - Representative Hotel Plan, p. 14).

Proposed Physical Alterations

Interior Alterations

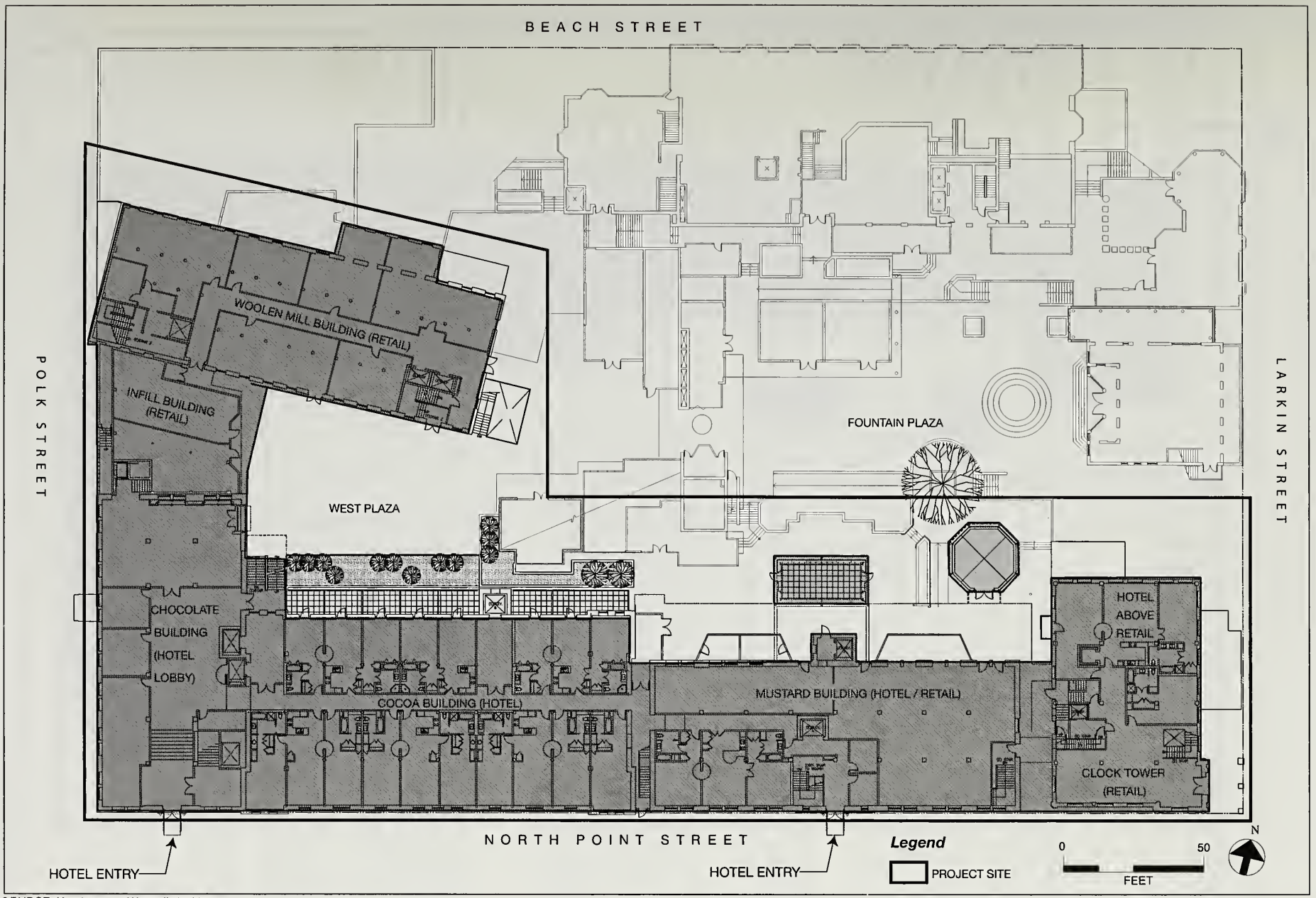
To accommodate the proposed reuse and/or conversion of the Woolen Mill Building, Infill Building, Chocolate Building, Cocoa Building, Mustard Building, and Clock Tower from Office/Retail or related use to a new Hotel/Retail use, the project would entail removal of existing interior partition walls, building systems (for example, electric, plumbing, HVAC), and tenant improvements. The building cores would be reconfigured as necessary to accommodate the seismic strengthening necessary to satisfy Building Code requirements and the proposed hotel program. The proposed project would retain existing floor assemblies, exposed brick, windows, and heavy timber construction where feasible. New partition walls, building systems, fixtures, and finishes would be installed.

All seismic strengthening work would occur entirely on the interior of the buildings and would not be visible on exterior walls. No window or door openings would be filled and no exterior bracing, frames, shear walls or ties would be used on the buildings' exterior. The proposed seismic strengthening of the Chocolate, Cocoa, and Mustard Buildings would bring these buildings into conformity with San



SOURCE: Hornberger + Worstell, Architects

FIGURE 7: PROPOSED HOTEL BASEMENT (LEVEL 3)

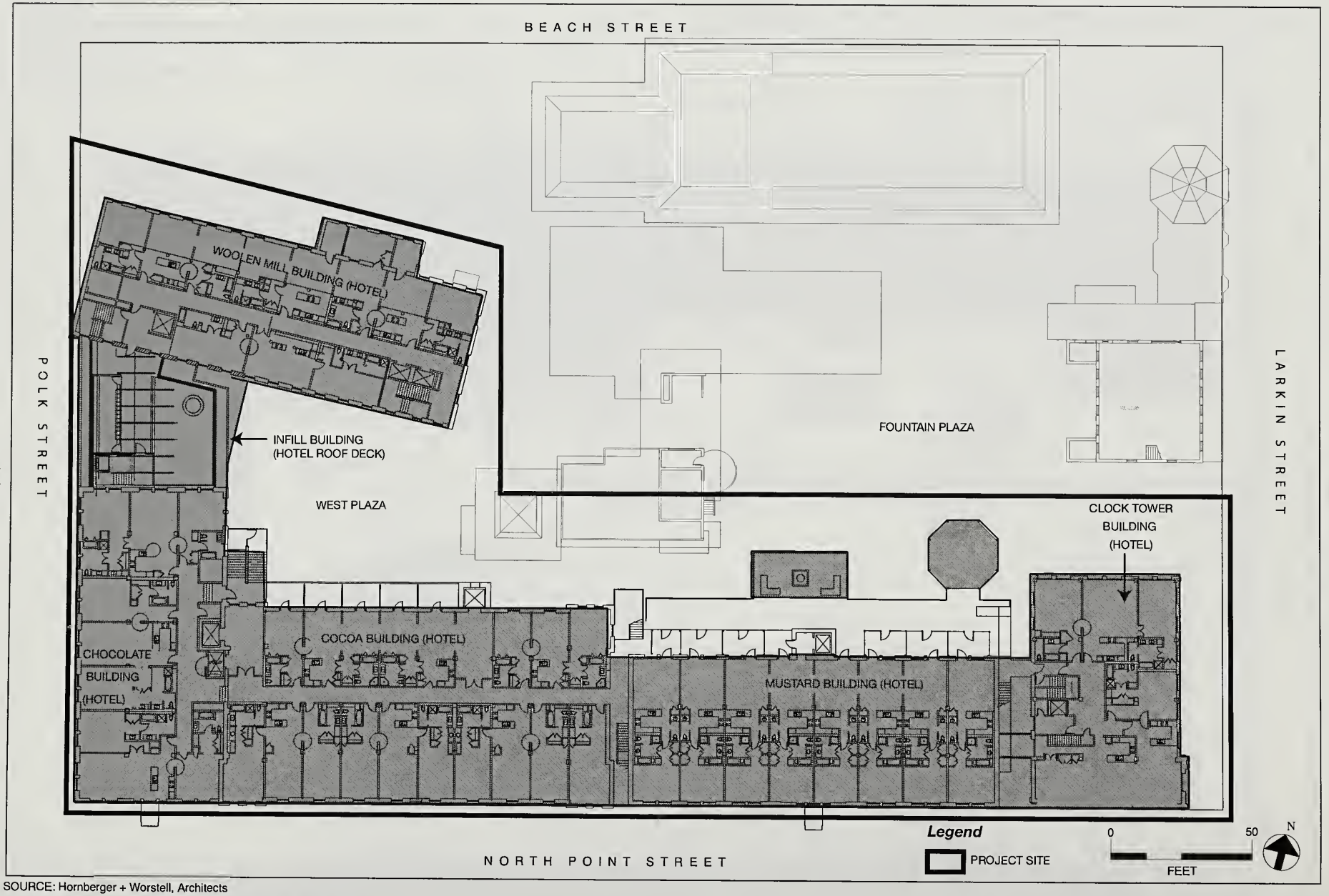


SOURCE: Hornberger + Worstell, Architects

GHIRARDELLI SQUARE REHABILITATION PROJECT

2004.0392E

FIGURE 8: PROPOSED HOTEL GROUND FLOOR (LEVEL 4)



SOURCE: Hornberger + Worstell, Architects

FIGURE 9: PROPOSED HOTEL SECOND FLOOR (LEVEL 5)-REPRESENTATIVE HOTEL PLAN

Francisco Building Code provisions for Unreinforced Masonry Buildings (UMBs).[2] The proposed project would also seismically upgrade the Clock Tower (which does not fall under the provisions for UMBs because of its reinforced concrete and steel-frame construction).[3] Seismic strengthening of the Woolen Mill Building was recently completed and is, therefore, not part of the proposed project.

Exterior Alterations

The proposed exterior alterations within the area of proposed work are intended to preserve the historic and architectural character of the Woolen Mill, Infill, Chocolate, Cocoa, Mustard, and Clock Tower Buildings; facilitate the reuse of these buildings as a hotel; and create a unified design identity for the proposed hotel. The proposed exterior alterations have been presented in detail to the Landmarks Preservation Advisory Board as part of the Certificate of Appropriateness application.[4] Proposed exterior changes are summarized below. Figure 10: North Point Elevation Showing Location of Proposed Exterior Alterations and Figure 11: Plaza Elevation Showing Location of Proposed Exterior Alterations (p. 17) show the location of proposed exterior alterations.

- *New Plaza Retail Pavilions*:[5] Two small plaza retail pavilions at Level 4 (totaling about 300 gsf) would be created by enclosing, with glass walls, the lower level of the existing open octagonal stairway, and by enclosing the space below a portion of an existing second floor deck at the Mustard Building.
- *Outdoor Decks, Terraces, and Stairways of the Plaza Facade*:[6] Existing decks, terraces, and stairways overlooking the plaza at the Mustard Building and the Cocoa Building would be retained, seismically strengthened, and reused as private outdoor patios for plaza-facing guest rooms, as common outdoor space for hotel guests, and for hotel circulation. Exterior stair alterations may be necessary to comply with current San Francisco Building Code requirements, including improving their structural attachment to buildings, and increasing sprinkler coverage. The rooftop of the Infill Building would become a common outdoor roof deck for hotel guests and would be accessed from the lobby.

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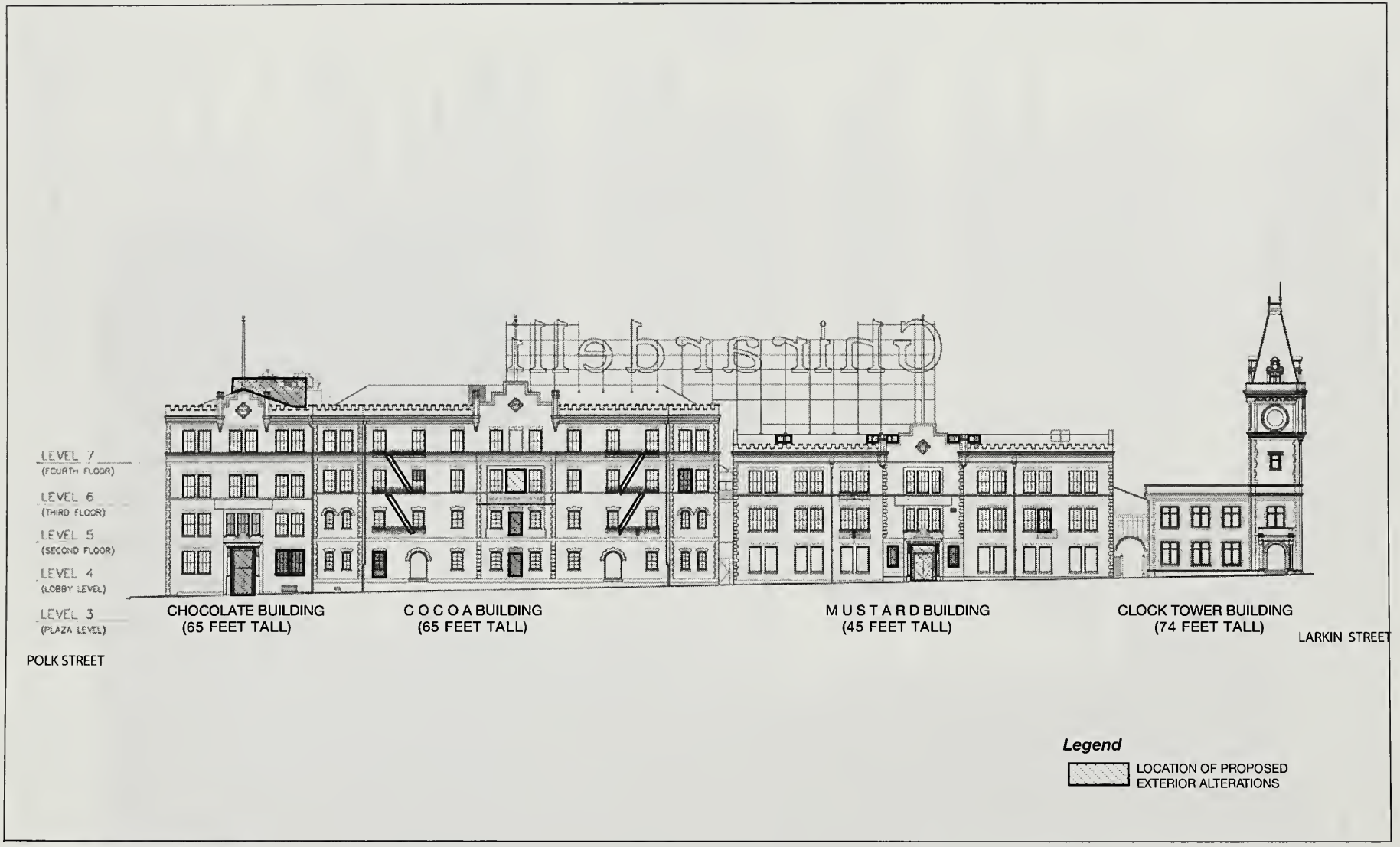
[2] Proposed interior seismic strengthening work to the Chocolate, Cocoa, and Mustard Buildings includes, but is not limited to, the following: applying shotcrete shear walls to the interior face of selected perimeter walls; widening foundations at the basement levels to support these new wall elements; installing grade beams beneath the buildings, installing steel braced frames; reinforcing floors with the addition of plywood sheathing over the existing floor planks and anchoring the floors to the perimeter walls, installing seismic tie elements to reinforce beam/column connections, and installing new vertical post supports along the interior of unreinforced masonry perimeter walls where roof trusses or girder supports occur.

[3] Proposed interior seismic strengthening work to the Clock Tower includes, but is not limited to, the following: applying shotcrete shear walls to the interior face of selected perimeter walls; widening foundations at the basement levels to support these new wall elements; and installing additional steel cross-bracing in the tower between existing steel framing members.

[4] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, Planning Department Case Number 2004.0392A, February 2005. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

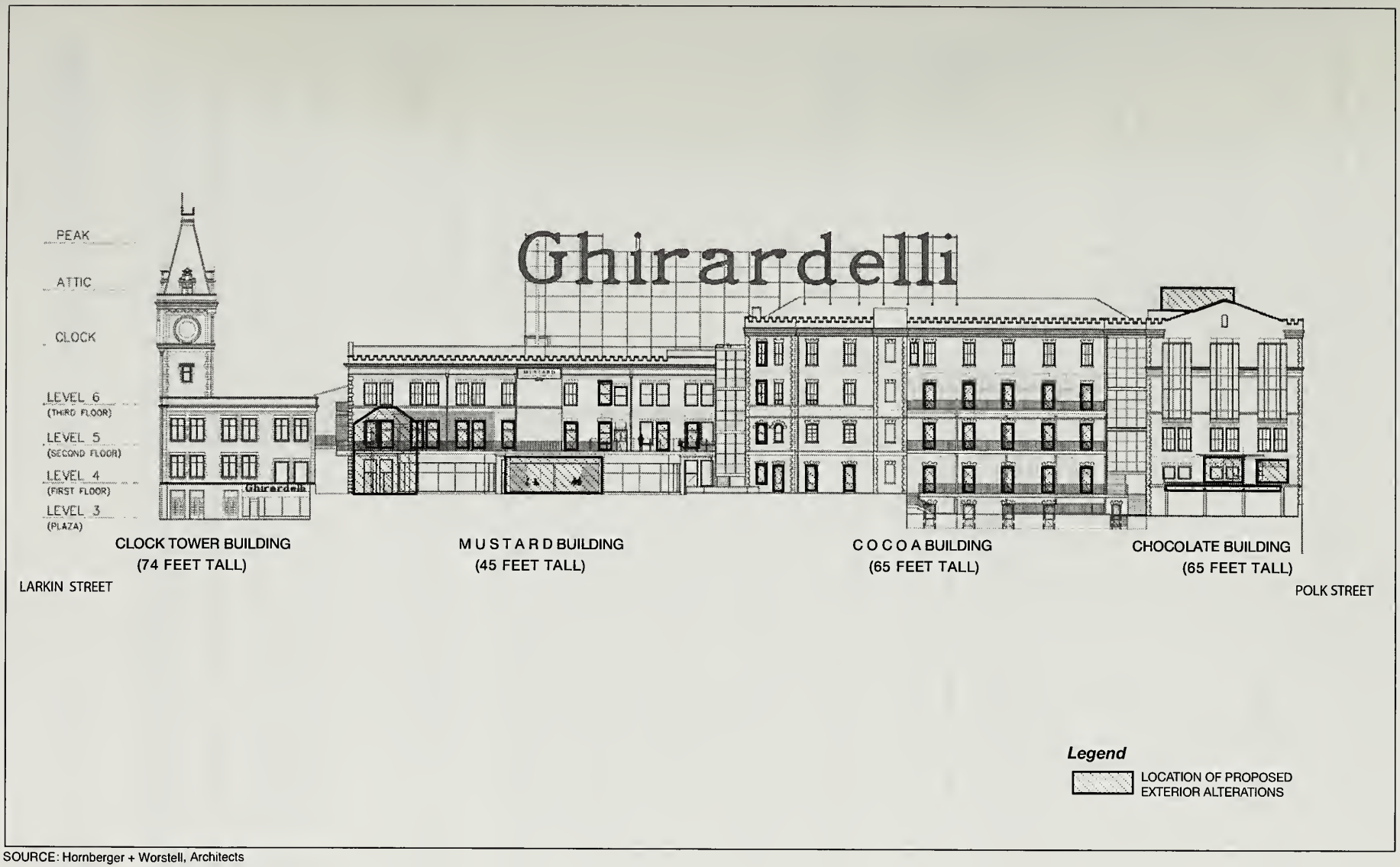
[5] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, February 2005, Exhibits B.5, C.4, and C.5.

[6] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, February, 2005, Exhibits B.5, C.3, and C.6.



SOURCE: Hornberger + Worstell, Architects

FIGURE 10: NORTH POINT ELEVATION SHOWING LOCATION OF PROPOSED EXTERIOR ALTERATIONS



SOURCE: Hornberger + Worstell, Architects

FIGURE 11: PLAZA ELEVATION SHOWING LOCATION OF PROPOSED EXTERIOR ALTERATIONS

- *Windows and Doors Throughout*:[7] Proposed window and door alterations would include replacement of four existing entrance doors with new steel and glass entrance doors and glass canopies; replacement of mechanical louvers in several window openings with new metal-framed double-hung windows; replacement of mechanical louvers with solid plaster infill at two locations on the North Point facade; creation of four new window openings at the plaza facade; replacement of non-original wood doors at nine locations on the Mustard Building's plaza facade with new metal and glass exterior guest room doors; and installation of new metal and glass exterior guest room doors in existing arcade openings on the Cocoa Building's plaza facade.
- *Removal of Exterior Retail Improvements on the Plaza Facade*:[8] The project would remove existing exterior retail improvements including nine existing retail display enclosures at the basement and first floor of the Cocoa Building; an aluminum and glass greenhouse structure at the third floor of the Cocoa Building; and an aluminum and glass greenhouse structure and an existing steel awning frame at the second floor of the Mustard Building.
- *Rooftop Mechanical Equipment*:[9] Existing unused rooftop mechanical equipment would be removed. New, more compact, centralized equipment would be installed on the roof of the Chocolate Building and would be screened from view from the street. The mechanical equipment would be recessed into a roof well and would extend about 3 feet above the peak of the Chocolate Building roof. The proposed placement of the equipment is intended to maximize its setback from Polk Street (about 8 feet), North Point Street (about 17 feet), and the plaza (about 12 feet).[10]

The project sponsor estimates that project construction/alteration activities would take about 16 months, with occupancy of affected spaces planned for Spring 2007. Hornberger + Worstell are the project architects.

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[7] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, February 2005, Exhibits B.2, B.3, B.4, B.5, C.1 and C.2.

[8] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, February 2005, Exhibit B-Ex.5.

[9] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, February 2005, Exhibit D.6.

[10] The currently identified location and dimensions of the rooftop mechanical equipment is schematic, and may be adjusted slightly to accommodate engineering requirements.

ENVIRONMENTAL EVALUATION CHECKLIST AND DISCUSSION

COMPATIBILITY WITH EXISTING ZONING AND PLANS

		Not Applicable	Discussed
1.	Discuss any variances, special authorizations, or changes proposed to the City Planning Code or Zoning Map, if applicable.	__	X
2.	Discuss any conflicts with any adopted environmental plans and goals of the City or Region, if applicable.	__	X

The San Francisco Planning Code incorporates by reference the City's Zoning Maps, implements the *San Francisco General Plan*, and governs permitted uses, densities, and configuration of buildings within the City. Permits to construct new buildings or to alter or demolish existing ones may not be issued unless the proposed project conforms to the Code; an exception is granted pursuant to provisions of the Code; or amendments to the Code are included as part of the project.

The project site is zoned C-2 (Community Business) District. C-2 districts are described in Planning Code Section 210.2 as follows:

> These districts serve several functions. On a larger scale than the C-1 Districts, they provide convenience goods and services to residential areas of the City, both in outlying sections and in closer-in, more densely built communities. In addition, some C-2 Districts provide comparison shopping goods and services on a general or specialized basis to a citywide or a regional market area, complementing the main area for such types of trade in downtown San Francisco. The extent of these districts varies from smaller clusters of stores to larger concentrated areas, including both shopping centers and strip developments along major thoroughfares, and in each case the character and intensity of commercial development are intended to be consistent with the character of other uses in the adjacent areas. As in C-1 Districts, the emphasis is upon compatible retail uses, but a wider variety of goods and services is included to suit the longer-term needs of customers and a greater latitude is given for the provision of automobile-oriented uses.

The project site is also within the Northern Waterfront Special Use District No. 2. The Waterfront Special Use Districts are intended to provide for and protect the unique characteristics of San Francisco's waterfront.

Required Approvals

The proposed project requires the following approvals:

Conditional Use, Hotel

In a C-2 district, hotel use is subject to approval by the Planning Commission as a Conditional Use under Planning Code Sections 213, Uses Permitted in C and M Districts, and 216(b), Other Housing, Hotel, Inn or Hostel. Planning Code Section 240.2(b) also requires Conditional Use authorization for hotel use in the Waterfront Special Use District No. 2.

Certificate of Appropriateness

As a designated San Francisco Landmark, Ghirardelli Square is subject to the procedures and criteria for review of Certificates of Appropriateness under Article 10 of the Planning Code. The project requires a Certificate of Appropriateness, under Planning Code Section 1006, for alterations of a structure on a landmark site. All exterior alterations, on a landmark site, that require a City permit must be reviewed by the Landmarks Preservation Advisory Board (LPAB) in a public hearing. The Planning Department, with the advice of the LPAB, would issue a Certificate of Appropriateness for the proposed exterior work if the criteria for Certificates of Appropriateness in Planning Code Section 1006.7, Standards for Review of Applications, are met.

Plans and Policies

Environmental plans and policies are those, like the Bay Area Air Quality Plan, that directly address physical environmental issues and/or contain targets or standards that must be met in order to preserve or improve specific components of the City's physical environment. The proposed project would not obviously or substantially conflict with any such adopted environmental plan or policy.

San Francisco General Plan

The San Francisco General Plan, which provides general policies and objectives to guide land use decisions, contains some policies that relate to physical environmental issues. The compatibility of the project with General Plan policies that do not relate to physical environmental issues will be considered by decisionmakers as part of their decision whether to approve or disapprove the proposed project and any potential conflicts identified as part of that process would not alter the physical environmental effects of the proposed project.

General Plan Priority Policies

In November 1986, the voters of San Francisco approved Proposition M, the Accountable Planning Initiative, which added Section 101.1 to the City Planning Code to establish eight Priority Policies. These

policies are as follows: preservation and enhancement of neighborhood-serving retail uses; protection of neighborhood character; preservation and enhancement of affordable housing; discouragement of commuter automobiles; protection of industrial and service land uses from commercial office development and enhancement of resident employment and business ownership; maximization of earthquake preparedness; landmark and historic building preservation; and protection of open space. Prior to issuing a permit for any project that requires an Initial Study under the California Environmental Quality Act (CEQA), and prior to issuing a permit for any demolition, conversion, or change in use, and prior to taking any action which requires a finding of consistency with the General Plan, or adopting any zoning ordinance or development agreement, the City is required to find that the proposed project or legislation is consistent with the Priority Policies. The Planning Commission case report and/or motions for the proposed Conditional Use authorization will contain the analysis determining whether the proposed project is in compliance with the eight Priority Policies. The current project would not obviously or substantially conflict with any such policy. As part of its decision to approve, modify, or disapprove the project, the Planning Commission will consider other potential conflicts with the Priority Policies and will weigh the Priority Policies and decide whether, on balance, the project is consistent with the Priority Policies.

Northeastern Waterfront Area Plan

The Northeastern Waterfront Plan recommends objectives and policies designed to contribute to the waterfront's environmental quality, enhance the economic vitality of the Port and the City, preserve the unique maritime character and provide for the maximum feasible visual and physical access to and along the Bay. The specific objectives and policies apply to four geographic subareas, as well as The Embarcadero corridor which links them.

The project site is within the Fisherman's Wharf Subarea, which extends from the Municipal Pier at Van Ness about a block west of the site, through Pier 39. The entire project site is designated "General Commercial" in the Fisherman's Wharf Subarea generalized land use map.[11] Objective 5 of the Area Plan is to "develop limited additional office and commercial space in order to serve the City's economic needs and to encourage a mixture of uses and activities along the northeastern waterfront." Policy 5.4 is "except on piers, [to] permit additional hotel space in locations which would enhance the mixture of uses. In areas where hotels are already concentrated, additional such facilities should be limited and should only be provided if they complement adjacent uses."

ENVIRONMENTAL EFFECTS

All items on the Initial Study Checklist have been checked "No," indicating that upon evaluation Planning Department staff has determined that the proposed project could not have a significant adverse environmental effect. Several of those Checklist items have also been checked "Discussed," indicating

[11] City of San Francisco, *Northeastern Waterfront Area Plan*, January 1998.

that the Initial Study text includes discussion about those particular topics. For all of the items checked "No" without discussion, the conclusions regarding potential significant adverse environmental effects are based upon field observation, staff experience and expertise on similar projects, and/or standard reference material available within the Department, such as the Department's *Transportation Impact Analysis Guidelines for Environmental Review*, or the California Natural Diversity Database and maps, published by the California Department of Fish and Game. For each checklist item, the evaluation has considered the impacts of the project both individually and cumulatively.

1. **Land Use** – Could the project:	Yes	No	Discussed
a) Disrupt or divide the physical arrangement of an established community?	—	X	X
b) Have any substantial impact upon the existing character of the vicinity?	—	X	X

The proposed project would not disrupt or divide the physical arrangement of an established community. The project would be incorporated entirely within the historic and non-historic structures on the project site, except for minor modifications discussed above under Project Description, and within the established street plan.

Land use in the project vicinity is mixed, including a secondary education facility (Galileo High School), some offices, multi-unit residences, neighborhood- and tourist-serving retail uses, and open space, as well as the San Francisco Maritime Museum. The project would introduce a new use on the site. The project site is located at the western edge of the Fisherman's Wharf area, one of the City's most popular tourist destinations. Fisherman's Wharf includes a number of hotels. The project would extend tourist hotel use westward from the center of Fisherman's Wharf. As noted, hotel uses exist in the greater project area. The Planning Code allows hotel use of the site as a Conditional Use. Thus, hotel use of the site would not be considered a significant impact. The proposed project would replace all of the existing office use on the site and a portion of the existing retail use with hotel use. The reuse of the Ghirardelli Square buildings along North Point Street as a hotel would mediate between the retail character to the north (including the Ghirardelli Square plaza and the Beach Street buildings in Ghirardelli Square, and Fisherman's Wharf east of Ghirardelli Square) and the residential areas to the south and west of Ghirardelli Square. In view of the above, the proposed project would not have a substantial negative impact on the existing character of the vicinity.

2. **Visual Quality** – Could the project:	Yes	No	Discussed
a) Have a substantial, demonstrable negative aesthetic effect?	—	X	X
b) Substantially degrade or obstruct any scenic view or vista now observed from public areas?	—	X	X
c) Generate obtrusive light or glare substantially impacting other properties?	—	X	X

The proposed project could not have a demonstrable negative aesthetic effect. As discussed on p. 11, the proposed seismic work would generally not be visible on the exterior of the building. Alterations to accommodate the proposed hotel use would also be mainly interior alterations and would not generally be noticeable on the exterior of the building. No new buildings, horizontal additions, or vertical additions to any buildings would be constructed under the proposed project. The limited scope of proposed new exterior installations (like entry doors, windows, and storefronts) would generally be incorporated within the existing matrix of window openings, door openings and deck structures, and are intended to reflect an understated and unified design identity that would be compatible with the historic character of the landmark. The proposed new rooftop mechanical equipment would be minimally visible, if visible at all, from public rights-of-way. Exterior alterations proposed under the project would be subject to the Certificate of Appropriateness requirements under Article 10 of the Planning Code and may only be approved and implemented if the Planning Department, with the advice of the Landmarks Preservation Advisory Board, finds that the exterior alterations under the proposed project would "not adversely affect the special character or special historical, architectural or aesthetic interest or value of the landmark and its site."

As noted above, no major new construction, and no horizontal or vertical additions are proposed under the project; that is, the overall building envelopes at Ghirardelli Square would not change due to the project. As the building envelopes would not change, the project would not substantially degrade or obstruct any scenic view or vista now observed from public areas. As discussed in the Project Description, rooftop mechanical equipment for the hotel use would be consolidated atop the Chocolate Building. The height of the top of the proposed mechanical equipment enclosure would be roughly the same height as that of the existing rooftop structure at the same location which it would replace. The proposed installation would be recessed into the roof and would extend about 3 feet above the peak of the Chocolate Building roof.[12] Specific changes to be made to the exteriors of buildings are described in detail in the Project Description, pp. 15-18, and shown in Figures 10 and 11, pp. 16 and 17.

[12] The currently identified location and dimensions of the rooftop mechanical equipment is schematic, and may be adjusted slightly to accommodate engineering requirements.

The proposed project would not generate obtrusive light and glare. The project site would be more noticeable at night than with existing conditions because the commercial building is currently less used at night and the project would introduce typical hotel lighting to the site. Exterior hotel lighting at building entryways would be positioned to minimize glare. Lighting would not be in excess of that commonly found in urban areas. Therefore, environmental effects of light and glare due to the project would not be significant.

In view of the above, the project would not result in a significant effect regarding Visual Quality.

3. **Population** – Could the project:	Yes	No	Discussed
a) Induce substantial growth or concentration of population?	__	X	X
b) Displace a large number of people (involving either housing or employment)?	__	X	X
c) Create a substantial demand for additional housing in San Francisco, or substantially reduce the housing supply?	__	X	X

San Francisco is the central city (and most urban place) in an attractive region known for its agreeable climate, open space, recreational opportunities, cultural amenities, a strong and diverse economy, and prominent educational institutions. These factors contribute to San Francisco consistently ranking as one of the most expensive housing markets in the United States. As a regional employment center, San Francisco attracts people who want to live close to where they work. These factors continue to support a strong demand for housing in San Francisco.

During the period of 1990-2000, the number of new housing units completed citywide ranged from a low of about 380 units (1993) to a high of about 2,065 units (1990) per year. The citywide annual average over that 11-year period was about 1,130 units.[13] In March 2001, the Association of Bay Area Governments (ABAG) projected regional needs in the Regional Housing Needs Determination 1999-2006 allocation. The jurisdictional need of the City for 2006 is 20,372 dwelling units, or an average yearly need of 2,716 net new dwelling units.

The project would introduce a hotel use to the site. The proposed project would not change the number of residential units in the City's housing stock. The introduction of a hotel use requires the reconfiguration of existing uses. As there would be an incremental net increase in the total square footage of existing

[13] San Francisco Planning Department, *Data and Needs Analysis - Part 1 of the 2004 Housing Element,* May 13, 2004, p. 33.

buildings, the project would, basically, not increase the gross square footage on the site.[14] The proposed hotel use would eliminate existing office uses and some retail uses. The project proposes an approximate 34 percent reduction in retail square footage and elimination of the 62,000 sq. ft. of existing office use. The existing office and retail space that would be replaced by the proposed project hotel would support approximately 225 and 125 employees, respectively, for a total of about 350 employees.[15] The project sponsor estimates the potential hire of approximately 50 to 100 new full-time and part-time employees for the proposed hotel. There would be a reduction in employment on the site ranging from 250 to 300 employees. Businesses and employees on the site that would be displaced by the proposed project could be expected to relocate, or to have relocated, within San Francisco or may need to locate elsewhere in the Bay Area. Business displacement in this context is an economic impact, rather than a physical environmental impact under CEQA. Planning Code Section 303(g)(1)(A), Conditional Uses, Hotels and Motels, requires that for Conditional Use applications for development of tourist hotels and motels, the Planning Commission must consider the impact of project employees on the demand in the City for housing and other services.

In view of the above, the project would not have a significant effect on Population.

4. **Transportation/Circulation** – Could the project:	Yes	No	Discussed
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system?	__	X	X
b) Interfere with existing transportation systems, causing substantial alterations to circulation patterns or major traffic hazards?	__	X	X
c) Cause a substantial increase in transit demand which cannot be accommodated by existing or proposed transit capacity?	__	X	X
d) Cause a substantial increase in parking demand which cannot be accommodated by existing parking facilities?	__	X	X

[14] As described in the Project Description, p. 14, two proposed plaza retail pavilions, totaling 300, gsf would be created by enclosing space beneath existing plaza decks. On balance, these new areas would contribute an insubstantial amount of area to the project, and would be offset by decreases in floor area resulting from removal of existing deck enclosures.

[15] Based on a standard multiplier of 275 sq. ft. per employee in office space, based on San Francisco Planning Department transportation analysis guidelines and Keyser Marston Associates, Inc., *San Francisco Cumulative Growth Scenario: Final Technical Memorandum*, prepared for the San Francisco Redevelopment Agency, March 30, 1998. Retail employment density estimated at 350 sq. ft. per employee, based on San Francisco Planning Department transportation analysis guidelines.

A transportation study was prepared by an independent consultant to address existing transportation conditions and potential impacts associated with the proposed development.[16] The results of the study are summarized below.

The Project Area

The project site is within Ghirardelli Square, which occupies the block bounded by Beach, Larkin, North Point, and Polk Streets (see Figure 1, p. 2). The project site fronts North Point Street, a two-way east-west roadway with one eastbound and two westbound travel lanes with on-street metered parking provided on both sides of the street. Polk Street is a north-south roadway with one travel lane in each direction and on-street metered parking on both sides of the street. Beach Street is a two-way east-west roadway that contains one travel lane in each direction and on-street metered parking on both sides of the street. Larkin Street is a two-way north-south arterial in the vicinity of the project site with metered parking and commercial vehicle loading spaces.

Other streets in the vicinity of the proposed project include Bay Street, Hyde Street, and Van Ness Avenue. Bay Street is an east-west roadway with two travel lanes in each direction. On-street metered parking is generally provided on both sides of the street. The parking lane adjacent to the north curb is a tow-away zone between 4:00 and 6:00 P.M. when it serves as a travel lane between The Embarcadero and Van Ness Avenue, in accordance with its General Plan designation as a Congestion Management Network street. Hyde Street is a north-south roadway. It is one-way southbound between Jefferson and Beach Streets, and two-way (one lane in each direction) south of Beach Street. The Powell/Hyde cable car track runs along the center of Hyde Street between Washington Street and the terminal located at the northwestern corner of the intersection of Hyde and Beach Streets. Van Ness Avenue is the major north-south arterial in the central section of San Francisco. The roadway is part of U.S. 101 between Lombard Street and the Central Freeway (via South Van Ness Avenue). In the vicinity of the proposed project, Van Ness Avenue has three travel lanes in each direction. Lombard Street is an important east-west arterial. The roadway is part of U.S. 101 and provides access to the Golden Gate Bridge Toll Plaza (via Richardson Avenue and then Doyle Drive when it enters the Presidio National Park). In the vicinity of the proposed project, Lombard Street has one lane in each direction east of Van Ness Avenue and three lanes in each direction to the west of Van Ness Avenue.

The project site is well-served by public transit, with both local and regional service provided. Local service is provided by the San Francisco Municipal Railway (MUNI) with six bus and trolley lines, one express bus line, the F-Market streetcar line, and the Powell-Hyde cable car line. There are no transit stops adjacent to the project site. However, the nearest MUNI stop locations are within reasonable

[16] LCW Consulting, Final Report, *900 North Point Street Transportation Study*, Planning Department Case Number 2004.0392E, March 20, 2005. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

walking distance from the project site and include North Point at Polk (10-Townsend, 30-Stockton, 47-Van Ness), Beach at Larkin (19-Polk), Van Ness at North Point (49-Van Ness-Mission), Van Ness at Chestnut (82X-Presidio & Wharves), and Hyde at Beach (Powell-Hyde Cable Car). The F-Market Streetcar line runs east west on Beach and Jefferson Streets with a turnaround at Jones Street (three blocks east of the project site).

Service to the North Bay is provided by Golden Gate Transit; the stops closest to the project site are on North Point at Jones and Van Ness at Chestnut. Service to the East Bay, the Peninsula, and San Francisco International Airport is provided by BART, Alameda-Contra Costa (AC) Transit, San Mateo County Transit (Samtrans), Caltrain, and the Golden Gate Transit and Oakland/Alameda Ferries. These service providers can be reached by various MUNI lines that stop nearby. Privately owned tourist ferries depart from Piers 41 and 43½ at Fisherman's Wharf to destinations that include Angel Island and Alcatraz Island.

Project Trip Generation

The proposed project would generate about 700 daily person trips on weekdays (inbound and outbound), spread over various modes of transportation. About 70 total person trips would be made during the P.M. peak hour (the peak hour occurring within the 4 P.M.-6 P.M. peak period). Based on the San Francisco Planning Department's *Transportation Impact Analysis Guidelines for Environmental Review (SF Guidelines)* dated October 2002, it was calculated that about 26 of the weekday P.M. peak hour person trips would be made by automobile and about 29 would be made by transit. The remainder of the P.M. peak hour trips (15) would be made on foot or by other means such as bicycle, taxi, or motorcycle. The 26 P.M. peak hour person trips in automobiles would amount to about 15 vehicle trips.

The proposed hotel use would eliminate existing office uses and some retail uses. Currently, about 67 percent of the office space and 93 percent of the retail space in the buildings within the area of work are occupied. Based on the *SF Guidelines*, the existing office and retail uses in buildings within the area of work generate about 211 person trips, resulting in about 37 vehicle trips during the P.M. peak hour.[17] The person and vehicle trips associated with these uses were subtracted from the project-generated trips to

[17] The number of trips generated by the displaced office and retail uses are based on employee and visitor trips to Superdistrict 1 from the *SF Guidelines*.

obtain the net-new trips.[18] Accordingly, during the weekday P.M. peak hour, the proposed project would result in a net decrease of about 141 person trips, resulting in a corresponding net decrease of 22 vehicle trips.

Traffic

No changes to the existing circulation system are proposed as part of the project. Existing intersection operating conditions at the following three analysis locations were evaluated for the weekday P.M. peak hour (generally between 5:00 and 6:00 P.M.) of the P.M. peak period (4:00 to 6:00 P.M.):

- North Point Street/Larkin Street,
- North Point Street/Polk Street, and
- Bay Street/Van Ness Avenue.

All of the study intersections are signalized. The operating characteristics of signalized intersections are described by the concept of Level of Service (LOS).[19] Traffic volumes, including turning movement volumes, at the three study intersections were counted on Tuesday, October 12, 2004. During the weekday P.M. peak hour all three of the study intersections currently operate with acceptable conditions (LOS D or better).

The proposed project would result in a net reduction of 22 P.M. peak hour vehicle trips traveling through the study intersections. Therefore, vehicle delays and LOS operating conditions would be the same as or similar to existing conditions. All study intersections are anticipated to continue to operate at the same service levels as under existing conditions (at LOS D or better), and thus the project would not result in a significant impact on traffic.

Cumulative traffic growth and development in the vicinity of the project site and elsewhere in the City would add traffic to the study intersections in the future. As the project would result in a reduction of 22 P.M. peak hour vehicle trips (due to the project's land use change), the proposed project would not have a significant cumulative traffic impact.

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[18] The number of trips generated by the office uses that would be displaced was based on the amount of occupied office space (about 41,770 gsf of the 62,000 gsf of office space are currently occupied) and the trip generation rate from the *SF Guidelines* for office uses. The number of trips generated by the retail uses that would be displaced was based on counts of the number of persons entering and exiting Ghirardelli Square (survey conducted by Korve Engineering, Inc. in May 2004) and the amount of occupied retail space that would be displaced. In addition, due to the high level of linked trips in the Fisherman's Wharf area, a 50 percent reduction was taken for non-work trips to account for this activity.

[19] LOS is a qualitative description of an intersection's performance based on the average delay per vehicle. Intersection levels of service range from LOS A, which indicates free flow or excellent conditions with short delays, to LOS F, which indicates congested or overloaded conditions with delays in excess of 80 seconds.

Transit

The current office and retail land uses on the project site generate 56 transit trips, during the P.M. peak hour. The proposed project would generate about 29 person trips on transit during the P.M. peak hour. The change in land use from office and retail to hotel would result in a net reduction of about 27 transit trips during the P.M. peak hour. Overall, the reduction in the number of transit trips would not affect the operating conditions of MUNI and/or the regional transit providers. The proposed project would not change the configuration of access into the existing parking garage or the loading facility on the project site and would therefore not result in any new impacts to MUNI operations.

The potential exists that project-generated vehicles loading/unloading at the proposed new white zone near Polk Street could extend out into the westbound travel lane on North Point Street. MUNI buses use this lane to access the bus stop across the Polk Street intersection (northwest corner of North Point and Polk, on North Point). Vehicles extending into the travel lane could conflict with traffic and impede MUNI. However, as North Point Street has two westbound travel lanes, there would be room to bypass vehicles stopped in the travel lane nearest the curb. As the demand for passenger drop-off and pick-up is not expected to be substantial for the 100-room hotel (estimated demand for passenger loading of approximately one vehicle space for each 15-minute interval of the P.M. peak hour), the proposed 80-foot passenger zone is anticipated to accommodate the demand, including potential taxi queuing and valet operations. Additional demand, should it occur, could be accommodated at the existing white zone, further east on North Point near the Mustard Building hotel entrance. Therefore, the proposed project is not expected to cause significant impacts to transit vehicles on North Point Street.

Parking

A 295-space public parking garage, including eight handicapped-accessible spaces, with access from Larkin and Beach Streets, is part of the existing Ghirardelli Square complex. This Ghirardelli Square Garage would serve the proposed project. Parking activity at the garage was reviewed for winter (January-February 2004) and summer (July-August 2004). In general, parking occupancy at the garage peaks at about 2:00 P.M. on weekdays and 3:00 P.M. on weekends, and is higher during the summer months than the rest of the year. Capacity is available within the garage year-round to accommodate additional vehicles. Existing peak weekday parking occupancy at the garage during winter conditions is about 45 percent, and peaks at about 2:00 P.M.[20] Peak parking occupancy increases to about 50 percent on Fridays, Saturdays, and Sundays. Peak parking occupancy during summer conditions is generally higher, about 70 percent on Mondays through Thursdays (peak at about 2:00 P.M.), 77 percent on Friday (peak between 2:00 and 3:00 P.M.), 92 percent on Saturdays (peak between 3:00 and 4:00 P.M.), and 84 percent on Sundays (peak between 3:00 and 4:00 P.M.). Peak occupancy at the garage occurs during

[20] At occupancy above 90 percent, parking facilities are considered "full," as drivers have difficulty locating the limited number of remaining vacant spaces.

peak summer event weekends, such as the Fourth of July. During the summer peak season between July 1 and August 31, 2004, the existing parking occupancy at the garage was found to exceed 95 percent occupancy seven times, each for an approximate two-hour period.

On-street parking within the vicinity of the project site is generally permitted. Parking is mostly regulated, short-term (one- to two-hour maximum) parking or reserved for commercial vehicle loading (generally 30 minutes) or passenger loading/unloading. Adjacent to the project site on North Point Street, there is on-street metered parking, as well as metered commercial spaces, a passenger loading/unloading zone, and a handicapped-accessible parking space. On Polk Street, adjacent to the project site, metered parking spaces are also provided. On Larkin Street, adjacent to the project site, there are both regular metered spaces and metered commercial vehicle loading spaces. On Beach Street, adjacent to the project site, there are regular metered parking and commercial vehicle loading spaces as well as passenger loading/unloading zones near Polk Street and near Larkin Street. In general, the regular and commercial vehicle on-street parking spaces turn over regularly and parking is usually available throughout the day. At night, on-street parking is generally fully occupied. The project site is north and west of Residential Parking Permit Area A.

The project does not propose a change in the parking facility. The proposed 100 hotel rooms and the remaining 84,300 gsf of retail space require the dedication of a total of about 270 parking spaces according to the requirements in the San Francisco Planning Code Section 151 - Table 151 (6 spaces for hotel use and 263 spaces for the retail use). As the existing garage contains 295 parking spaces, the proposed project would meet and slightly exceed the Planning Code requirements. For comparison to existing conditions, according to San Francisco Planning Code Section 151 - Table 151, the current uses would require 532 spaces, 421 for the retail use and 111 for the office use.

The proposed project would generate a total long-term parking demand for about 61 spaces. The hotel parking demand could be accommodated within the existing parking garage, which has sufficient capacity to accommodate these additional vehicles. Since the proposed project's demand could be met wholly by existing capacity within the Ghirardelli Square Garage, it would not contribute to future parking deficits in this area.

Pedestrians/Bicycles

Area pedestrian activity levels are generally light in the morning, and increase following the opening of tourist attractions at Ghirardelli Square and Fisherman's Wharf between 9:00 and 10:00 A.M. The sidewalks and crosswalks adjacent to the project site were observed to be operating under satisfactory conditions, with pedestrians walking at normal walking speeds and with freedom to bypass other pedestrians. The proposed project would generate about 15 walk/other trips during the P.M. peak hour. The proposed change in land use from office and retail to hotel would result in a net reduction of 63

walk/other trips during the P.M. peak hour, compared to existing conditions. Thus, the reduction in the number of walk/other trips would not affect the operating conditions of the adjacent pedestrian network.

In the vicinity of the proposed project, The Embarcadero, North Point Street, Columbus Avenue, and Polk Street are designated Citywide Bicycle Routes. During field observations on weekdays and weekends, bicycle conditions were observed to be operating acceptably, with occasional conflicts between bicyclists, pedestrians, and vehicles. The proposed project would result in a net decrease in the number of vehicles in the vicinity of the project site, and thus bicycle travel in the area is not anticipated to be substantially affected.

The existing 295-space Ghirardelli Square Garage provides six bicycle parking spaces. The proposed project would add eight bicycle parking spaces for a total of 14 to meet the San Francisco Planning Code requirement of one bicycle space for every 20 automobile spaces. The proposed project would not be required to provide shower and locker facilities, pursuant to Planning Code Section 155.3(f).

Loading

Commercial Loading

The proposed project would continue to use the existing off-street loading facility located on the project site with access from Polk Street. The loading facility provides two full-sized loading spaces and can accommodate more than two vehicles. Access between the loading facility and the hotel uses would be provided via internal corridors. Adjacent to the project site there are a number of commercial vehicle loading zones serving the existing office and retail uses at Ghirardelli Square. These include one metered space on Beach Street, five metered spaces on Larkin Street (near North Point Street), and five metered spaces on North Point Street.

Regarding loading demand, the new hotel use would generate approximately ten delivery/service vehicle trips per day. It is anticipated that most of the delivery/service vehicle trips generated by the proposed project would consist of small truck and van deliveries for the new hotel use. The loading needs for the new hotel use would result in the demand for less than one loading space during both the average and peak hour of loading activities. The loading demand from the office and retail uses that would be eliminated would offset the demand generated by the new uses, resulting in no net new demand for loading. The loading demand associated with the proposed project would be accommodated within the existing loading dock and the on-street loading zones.

Regarding loading requirements, the Planning Code requirement for the existing 128,000 gsf of retail uses and 62,000 gsf of office uses is three loading spaces for the retail and no loading spaces for the office. Since there are two off-street loading spaces, Ghirardelli Square has an existing deficit of one loading space. The Planning Code requires one off-street loading space for the proposed hotel use, and two for

the 84,300 gsf of remaining existing retail uses, for a total of three loading spaces. Since the proposed project would not provide an on-street loading space, but would use the existing loading facility with two spaces, the one-space deficit would continue. Under Planning Code Section 150, Off-Street Parking and Loading Requirements, a lawful deficiency in off-street loading may be carried forward to the proposed project.

Passenger Loading/Unloading

The project sponsor would request an 80-foot passenger loading/unloading (white) zone in the front of the new hotel entry on North Point Street at Polk Street. The proposed passenger loading/unloading zone would displace four metered parking spaces, and would allow four vehicles to load/unload passengers. Valet parking would be provided from this location. The existing 40-foot passenger loading/unloading zone on North Point Street near Larkin Street would be maintained. This passenger zone is near the secondary hotel entry in the Mustard Building and would serve visitors entering and exiting the hotel at this location.

As noted above, the potential exists that project-generated vehicles loading/unloading at the proposed new white zone near Polk Street could extend out into the westbound travel lane on North Point Street. MUNI buses use this lane to access the bus stop across the Polk Street intersection (northwest corner of North Point and Polk, on North Point). Vehicles extending into the travel lane could conflict with traffic and impede MUNI. However, as North Point Street has two westbound travel lanes, there would be room to bypass vehicles stopped in the travel lane nearest the curb. As the demand for passenger drop-off and pick-up is not expected to be substantial for the 100-room hotel (estimated demand for passenger loading of approximately one vehicle space for each 15-minute interval of the P.M. peak hour), the proposed 80-foot passenger zone is anticipated to accommodate the demand, including potential taxi queuing and valet operations. Additional demand, should it occur, could be accommodated at the existing white zone, further east on North Point near the Mustard Building hotel entrance. Therefore, the proposed project is not expected to cause significant impacts to transit vehicles or other vehicle traffic, or to bicyclists on North Point Street.

Construction

It is anticipated that construction of the project would take approximately 16 months, with construction anticipated to start in the fall of 2005. Construction-related activities would typically occur Monday through Friday, between 7:00 A.M. and 5:00 P.M. It is not anticipated that construction activities would occur on weekends, but they might occur on an as-needed basis for a particular phase.

Construction staging would occur primarily at the nearby North Point Garage located across the street from the project site at 915 North Point Street. It is anticipated that the sidewalks along the project frontage on Polk and Larkin Streets would remain open throughout construction. The sidewalk on the

north side of North Point Street would probably be closed during a portion of the construction period, and a pedestrian walkway would be provided in the north curb parking lane. All temporary traffic lane closures would be coordinated with the City in order to minimize the impacts on local traffic.

There would be an average of about five construction truck trips (one-way trips) per day throughout the construction period. The impact of construction truck traffic would be a temporary lessening of the capacities of local streets due to the slower movement and larger turning radii of trucks, which may affect traffic operations. There would be an average between 10 and 85 construction workers per day at the project site, with the greatest number during the interior finishing phase. Construction workers who drive to the site would generate a temporary parking demand and would park in the North Point Garage.[21]

Although construction traffic would not result in a significant impact under CEQA, implementation of Improvement Measure 1, p. 57, would minimize disruption of the general traffic flow from construction traffic.

Based on the above analysis, the project's transportation impacts would be less than significant.

5. **Noise** – Could the project:	Yes	No	Discussed
a) Increase substantially the ambient noise levels for adjoining areas?	—	X	X
b) Violate Title 24 Noise Insulation Standards, if applicable?	—	X	X
c) Be substantially impacted by existing noise levels?	—	X	X

Vehicular Noise

Traffic is the existing noise source that makes the greatest contribution to ambient noise levels throughout most of San Francisco. Traffic volumes in an area would have to approximately double before the attendant increase in ambient noise levels would be noticeable to most people. The project would replace some existing retail and all office uses with the proposed hotel use, resulting in a small decrease in peak hour automobile traffic. That is, Ghirardelli Square's contribution to traffic volumes on local streets would be reduced, compared to existing conditions. Therefore, the project would not have an adverse effect on ambient noise levels in the project vicinity.

Title 24 of the California Code of Regulations establishes uniform noise insulation standards for residential projects (including hotels, motels, and live/work developments). The Department of Building

[21] LCW Consulting, Final Report, *900 North Point Street Transportation Study*, Planning Department Case Number 2004.0392E, March 20, 2005. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

Inspection (DBI) would review the final building plans to insure that the building wall and floor/ceiling assemblies meet state standards regarding sound transmission.

Operational Noise

At the project location, operational noise would not be expected to be noticeable, given background noise levels. The proposed project would include mechanical equipment, such as air-conditioning units and chillers, which could produce operational noise. These operations would be subject to the San Francisco Noise Ordinance, Article 29, Section 2909, of the San Francisco Police Code. This section establishes noise limits for fixed noise sources, such as building equipment. Compliance with Article 29, Section 2909, would minimize noise from building operations. The proposed new rooftop mechanical equipment would be quieter than the existing rooftop equipment that it would replace.[22] Therefore, the project's operational noise would not cause a significant impact.

Construction Noise

Interior construction would temporarily increase noise in the project vicinity. Construction equipment would generate noise and possibly vibrations that could be considered an annoyance by occupants of Ghirardelli Square and nearby properties. No pile driving would be required as part of the project.

Construction noise is regulated by the San Francisco Noise Ordinance (Article 29 of the Police Code). The ordinance requires that noise levels from individual pieces of construction equipment, other than impact tools, not exceed 80 dBA[23] at a distance of 100 feet from the source. Impact tools, such as jackhammers and impact wrenches, must have both intake and exhaust muffled to the satisfaction of the Director of Public Works. Section 2908 of the Ordinance prohibits construction work between 8:00 P.M. and 7:00 A.M., if noise would exceed the ambient noise level by 5 dBA at the project property line, unless a special permit is authorized by the Director of Public Works. The project must comply with regulations set forth in the San Francisco Noise Ordinance.

According to the project sponsor, the construction period would last approximately 16 months. Construction noise levels would fluctuate depending on construction phase, equipment type and duration of use, distance between noise source and listener, and presence or absence of barriers. Impacts would generally be limited to the period during which seismic strengthening would occur. Most of the project construction would occur in the building interior; thus, interior construction noise would be substantially reduced by the existing exterior walls. As a result, construction noise impacts would be less than significant.

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[22] Jim Degener, Associate Project Architect, Hornberger+Worstell, telephone conversation with Turnstone Consulting, January 21, 2005.

[23] dBA is the symbol for decibels using the A-weighted scale. A decibel is a unit of measurement for sound loudness (amplitude). The A-weighted scale is a logarithmic scale that approximates the sensitivity of the human ear.

There are no noise-sensitive receptors, such as schools, hospitals or churches, adjacent to the project site that would be adversely affected by construction noise.

In summary, based on the above, project-related noise, including traffic, construction, and operational noise, would not result in significant environmental impacts.

6. **Air Quality/Climate** – Could the project:	Yes	No	Discussed
a) Violate any ambient air quality standard or contribute substantially to an existing or projected air quality violation?	__	X	X
b) Expose sensitive receptors to substantial pollutant concentrations?	__	X	X
c) Permeate its vicinity with objectionable odors?	__	X	__
d) Alter wind, moisture or temperature (including sun shading effects) so as to substantially affect public areas, or change the climate either in the community or region?	__	X	X

Construction Emissions

Interior demolition and construction activities within and around existing buildings would contribute to temporary increases in particulates and exhaust emissions at the project site. Construction activity would temporarily raise particulate and exhaust emission levels in the area and could potentially have an adverse effect on air quality. Limited demolition, excavation, and grading are elements of the construction program while foundation construction and other ground-disturbing construction activities are not. The majority of the construction work would occur within the following existing buildings on the project site: the Woolen Mill Building, the Chocolate Building, the Cocoa Building, the Mustard Building, the Clock Tower, and the Apartment Building. Particulate levels during construction would be limited by the fact that the majority of work would occur on the interior of the existing buildings, thereby containing some dust and other emissions that might otherwise travel offsite.

The proposed project would include Mitigation Measure 1, pp. 53-54, which would implement the appropriate Bay Area Air Quality Management District (BAAQMD) control measures for construction activities, by requiring the project contractor to water the site (with reclaimed water), cover soil and other materials, cover the trucks, and sweep the streets to minimize dust generation during excavation, storage, and transportation. The contractor would also minimize vehicle emissions by prohibiting idling of engines and by implementing a vehicle maintenance program. Therefore, the proposed project, inclusive of this measure, would not cause significant construction-related air quality effects.

Operation Emissions

Operation of the project would not cause or contribute substantially to any existing or projected air quality violations. The BAAQMD has established screening methods to determine whether development projects could exceed significance thresholds for air quality impacts of project operations and therefore require a detailed air quality analysis.[24] The District generally does not recommend a detailed air quality analysis for projects generating fewer than 2,000 vehicle trips per day. As noted in the Transportation section on pp. 27-28, the proposed project would reduce vehicle trips per day, compared to existing conditions, to a level well below the BAAQMD threshold for air quality analysis. Therefore, consistent with BAAQMD guidance, no detailed operational air quality analysis is needed and significant air quality impacts due to vehicular emissions would not be generated by the proposed project.

Shadow

Section 295 of the Planning Code was adopted in response to Proposition K (passed November 1984) in order to protect certain public open spaces from shadowing by new structures during the period between one hour after sunrise and one hour before sunset, year round. Planning Code Section 295 prohibits the issuance of building permits for structures or additions to structures greater than 40 feet in height that would shade property under the jurisdiction of, or designated to be acquired by, the Recreation and Park Commission unless the Planning Commission and the Recreation and Park Commission find the impact to be insignificant. No new structures or additions to existing structures would be constructed under the proposed project. Existing rooftop structures extend about 4 feet above the peak of the Chocolate Building roof. The proposed rooftop mechanical equipment atop the Chocolate Building would be roughly the same height as the existing rooftop structures at the same location that would be removed. The proposed rooftop mechanical equipment would be set back from the perimeter of the building. Given the existing heights of buildings on the project site and in the vicinity, and because of the proposed height and location of the proposed mechanical equipment, the project could have no impact on the current shading levels of public open spaces in the vicinity subject to Section 295. Likewise, the proposed project would not add new shadow to sidewalks or streets adjacent to the site. The project would not have a significant impact with respect to shadow.

Wind

Prevailing winds in San Francisco are primarily from the west and northwest. The project site is flanked on the south by low-rise commercial and multi-unit residential buildings, on the north by open space directly fronting the Bay, and on the west and northwest by a natural rise in the terrain contained within Fort Mason. The project site is sheltered from prevailing westerly winds by Fort Mason and existing structures; it is exposed to northerly and northwesterly winds coming directly off San Francisco Bay. The

[24] See *BAAQMD CEQA Guidelines*, April 1996, Revised December 1999, p. 24.

existing buildings of the Ghirardelli complex are of various heights. The tallest structure is the Clock Tower at 74 feet. No change in the building elements/envelopes of the structures in the Ghirardelli Square complex is proposed. The proposed rooftop mechanical equipment atop the Chocolate Building would be roughly the same height as the existing rooftop structures at the same location that would be removed. As noted, the rooftop mechanical equipment enclosure would be set back from the building perimeter. In view of the above, significant wind impacts would not result from the proposed project.

7. **Utilities/Public Services** – Could the project:	Yes	No	Discussed
a) Breach published national, state or local standards relating to solid waste or litter control?	—	X	—
b) Extend a sewer trunk line with capacity to serve new development?	—	X	—
c) Substantially increase demand for recreation or other public facilities?	—	X	—
d) Require major expansion of power, water, or communications facilities?	—	X	X

The proposed project site is currently served by fire, police, schools, solid waste collection, recreational facilities, water, gas, and electricity. While the project would introduce a new hotel use on the site, the proposed project would not increase the intensity of development on the site. The project would not substantially increase demand for and use of public services and utilities on the site. It could increase water and energy consumption, but not in excess of amounts expected and provided for in the project area.[25] The proposed hotel rooms and reconfigured retail uses would be designed to incorporate water-conserving measures, such as installing low-flush toilets and urinals, as required by San Francisco Building Code. The project would be undertaken in an area where utilities and services are currently provided for, and expansion of public utilities or public service facilities due to the project is not anticipated.

Based on the above discussion, the project would not have a significant impact on public services and utilities.

[25] In Resolution 02-0084, adopted May 14, 2002, the San Francisco Public Utilities Commission determined that there is sufficient water supply to serve expected development projects in San Francisco through the year 2020, which would include projects such as the proposed project.

8. **Biology** – Could the project:	Yes	No	Discussed
a) Substantially affect a rare or endangered species of animal or plant, or the habitat of the species?	—	X	X
b) Substantially diminish habitat for fish, wildlife or plants, or interfere substantially with the movement of any resident or migratory fish or wildlife species?	—	X	X
c) Require removal of substantial numbers of mature, scenic trees?	—	X	X

No known rare, threatened, or endangered species are known to exist within the project site or within the immediate project vicinity. The proposed project would not affect plant or animal habitats. The project site is completely covered by existing buildings and is in a developed urban area. The site does not support or provide habitat for any rare or endangered plant or wildlife species. The project would not interfere with any resident or migratory species. All existing trees on the project site would be retained. Therefore, the project would not have a significant impact on biological resources.

9. **Geology/Topography** – Could the project:	Yes	No	Discussed
a) Expose people or structures to major geologic hazards (slides, subsidence, erosion and liquefaction)?	—	X	X
b) Change substantially the topography or any unique geologic or physical features of the site?	—	X	X

Ground shaking, ground failure, and inundation are typical geological hazards. Ground failures such as liquefaction, landslides, and settling are failures most often associated with earthquakes. The San Francisco General Plan, Community Safety Element, includes maps that show areas of the City subject to geological hazards. Like the entire San Francisco Bay Area, the project site is subject to ground shaking in the event of seismic events along faults in the San Francisco Bay Area. The northwestern edge of Ghirardelli Square is located in a Seismic Hazards Study Zone designated by the California Geological Survey, as shown on the Map of Seismic Hazards Study Zones - Areas of Liquefaction Potential (Map 4) of the Community Safety Element, and the 2001 State of California Seismic Hazards Zone Map for San Francisco prepared by the California Geological Survey under the Seismic Hazards Zoning Map Act of 1990.[26] Maps 2 and 3 of the Community Safety Element indicate that the project site is in an area of potential risk due to seismic ground shaking from movement in the Peninsula segment of the San Andreas

[26] City and County of San Francisco Planning Department, *San Francisco General Plan*, Map 4 of the Community Safety Element, pp. I.4.9 and the California Geological Survey, Seismic Hazard Mapping Program website, San Francisco North USGS Quadrangle, http://gmw.consrv.ca.gov/shmp/download/pdf/ozn_sf.pdf, accessed April 6, 2005.

fault and the northern segment of the Hayward fault.[27] The project site is not mapped within an area susceptible to landslides.[28]

The project site is located in an area subject to 20-foot tsunami run-ups[29] and reservoir failures[30] and is within the potential area of inundation of the Francisco Street and the Lombard Street Reservoirs. The reservoirs are located approximately ½ mile and 1 mile south of the project site, respectively. While a tsunami or reservoir failure in a strong seismic event could occur, the project itself would not have a significant impact, because this is an existing danger, regardless of the project, and the project would result in safer buildings on the site.

The proposed project would include seismic strengthening work of the structures in the area of proposed work, consisting of upgrades to the existing unreinforced masonry buildings (UMBs) constructed between 1899 and 1911. The project sponsor has retained the services of a California-licensed structural engineer and would follow its recommendations for seismic strengthening. The proposed seismic strengthening of the Chocolate, Cocoa, and Mustard Buildings would bring these buildings into conformity with San Francisco Building Code provisions for UMBs, increasing the safety of the structures in a major earthquake. The proposed project would also seismically upgrade the Clock Tower (which does not fall under the provisions for UMBs because of its reinforced concrete and steel-frame construction). Seismic strengthening of the Woolen Mill Building was recently completed and is, therefore, not part of the proposed project. Considering that the proposed project includes a seismic strengthening component, the project would result in safer buildings at the site, compared to the existing conditions. The proposed project would thus increase the safety of the structures and those who use them and, therefore, the project could not have a significant adverse effect with respect to geologic hazards.

The final building plans would be reviewed by the Department of Building Inspection (DBI). In reviewing building plans, the DBI refers to a variety of information sources to determine existing hazards and assess requirements for mitigation. Sources reviewed include maps of Special Geologic Study Areas and known landslide areas in San Francisco as well as the building inspectors' working knowledge of areas of special geologic concern. If the need were indicated by available information, DBI would require that site-specific soils reports be prepared by a California-licensed geotechnical engineer prior to construction. Therefore, potential damage to structures from geologic hazards on a project site would be mitigated through the DBI requirement for a geotechnical report and review of the building permit application pursuant to DBI implementation of the Building Code.

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[27] City and County of San Francisco Planning Department, *San Francisco General Plan*, Maps 2 and 3 of the Community Safety Element, pp. I.4.6 and I.4.7.
[28] City and County of San Francisco Planning Department, *San Francisco General Plan*, Map 5 of the Community Safety Element, pp. I.4.10.
[29] City and County of San Francisco Planning Department, *San Francisco General Plan*, Map 6 of the Community Safety Element, p. I.4.11.
[30] City and County of San Francisco Planning Department, *San Francisco General Plan*, Map 7 of the Community Safety Element, p. I.4.12.

The proposed project involves no changes to existing grade. The proposed project would not alter the topography of the site, or otherwise affect any unique geologic or physical features of the site. Therefore, no significant adverse effect with respect to geology and topography would result from the project.

10. **Water** – Could the project:	Yes	No	Discussed
a) Substantially degrade water quality, or contaminate a public water supply?	—	X	X
b) Substantially degrade or deplete groundwater resources, or interfere substantially with groundwater recharge?	—	X	X
c) Cause substantial flooding, erosion or siltation?	—	X	X

The project would not substantially degrade water quality or contaminate a public water supply. Sanitary wastewater from the proposed buildings and stormwater runoff from the project site would continue to flow into the City's combined sewer system, to be treated at the Southeast Water Pollution Control Plant prior to discharge into San Francisco Bay. Treatment would be provided pursuant to the effluent discharge limitations set by the Plant's National Pollutant Discharge Elimination System (NPDES) permit.

The approximately 2.6-acre Ghirardelli Square is covered completely by the existing buildings and a series of landscaped plazas, courtyards, terraces, and stairways which would remain in place. The alterations and new use of the development site would not include excavation. As a result, the overall amount of ground coverage would not change under the proposed project, and the amount of impervious surface coverage on the site would not change with project development. Accordingly, the project would not substantially affect current runoff, degrade or deplete groundwater resources, or interfere with groundwater recharge. Therefore, surface water sources, groundwater, runoff and drainage would not be adversely affected.

There would not be an increase in the potential for flooding, erosion, or siltation.

Based on the information presented above, there would be no significant water quality, groundwater, flooding, or erosion impacts due to the proposed project.

11. **Energy/Natural Resources** – Could the project:	Yes	No	Discussed
a) Encourage activities which result in the use of large amounts of fuel, water, or energy, or use these in a wasteful manner?	—	X	X
b) Have a substantial effect on the potential use, extraction, or depletion of a natural resource?	—	X	X

The proposed project would include a change of use and adaptive reuse of existing buildings, converting office and retail use to a hotel use. The project would meet or exceed current state and local standards regarding energy consumption, including Title 24 of the California Code of Regulations enforced by the Department of Building Inspection. For this reason, the project would not cause a wasteful use of energy, and would have a less-than-significant impact on energy and natural resources.

Natural gas and coal fuel would be used by PG&E and other utility providers to generate electricity for the project. The project would not use substantial quantities of other non-renewable natural resources. It would not use fuel or water in an atypical or wasteful manner. Therefore, the project would not have a significant effect on the use, extraction, or depletion of a natural resource.

12. **Hazards** – Could the project:	Yes	No	Discussed
a) Create a potential public health hazard or involve the use, production or disposal of materials which pose a hazard to people or animal or plant populations in the area affected?	—	X	X
b) Interfere with emergency response plans or emergency evacuation plans?	—	X	X
c) Create a potentially substantial fire hazard?	—	X	X

Hazardous Materials

An Environmental Site Assessment of the Ghirardelli Square complex (Phase I) was completed in February 2004.[31] According to the Phase I assessment, a review of historical documents for the subject property indicated that the main subject property buildings were constructed in the late 1800's to early 1900's. The original buildings were part of a woolen mill. Ghirardelli Chocolate began operating at the site in the late 1800's, using the site for chocolate and spice manufacturing activities. Additional buildings were added to the site through the early 1900's. Infill buildings were constructed in 1964-66 during conversion of the site to Ghirardelli Square. The buildings have been used for retail stores, restaurants and offices since that time. No substantial changes were noted to the subject property

[31] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

subsequent to the completion of the existing shopping center. No evidence of dumping or landfill activities, large-scale hazardous materials storage or usage was noted on the subject property in any of the photographs or historical documents reviewed for the site assessment.[32]

Building Materials

Asbestos

Asbestos-containing materials would have been used in construction of the existing structures built between 1864 and 1918 (the Woolen Mill Building, the Chocolate Building, the Cocoa Building, the Mustard Building, the Clock Tower, and the Apartment Building). These buildings are scheduled for seismic upgrade and renovation including alterations as part of the proposed project. The Ghirardelli Square complex is listed on the Federal and State Hazardous Waste Information System (HAZNET) list for prior disposal of asbestos-containing waste. According to Mr. David Fowler, the building engineer, it is likely that during Ghirardelli Square's periodic renovations all asbestos was removed and handled by licensed contractors.[33] Asbestos-containing electrical equipment was not observed during the Phase I assessment.[34] Asbestos investigation was not performed in the Phase I report.

Section 19827.5 of the California Health and Safety Code, adopted January 1, 1991, requires that local agencies not issue demolition or alteration permits until an applicant has demonstrated compliance with notification requirements under applicable Federal regulations regarding hazardous air pollutants, including asbestos.

The Bay Area Air Quality Management District (BAAQMD) is vested by the California legislature with authority to regulate airborne pollutants, including asbestos, through both inspection and law enforcement, and is to be notified ten days in advance of any demolition or abatement work including any renovation in which more than 100 linear feet, 100 square feet, or 35 cubic feet of asbestos-containing material is to be removed. Notification includes the names and addresses of operations and persons responsible, including the contractor; description and locations of the structures to be demolished/altered including size, age, and prior use, and the approximate amount of friable asbestos; scheduled starting and completion dates of demolition or abatement; nature of planned work and methods to be employed; procedures to be employed to meet BAAQMD requirements; and the name and location of the waste disposal site to be used. The District randomly inspects asbestos removal operations. In addition, the District would inspect any removal operation for which a complaint has been received.

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[32] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 2.
[33] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 18.
[34] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 11.

The local office of the State Occupational Safety and Health Administration (OSHA) must be notified of asbestos abatement to be carried out. Asbestos abatement contractors must follow state regulations contained in 8CCR1529 and 8CCR341.6 through 341.14 where there is asbestos-related work involving 100 square feet or more of asbestos-containing material. Asbestos removal contractors must be certified as such by the Contractors Licensing Board of the State of California. The owner of the property where abatement is to occur must have a Hazardous Waste Generator Number assigned by and registered with the Office of the California Department of Health Services. The contractor and hauler of the material are required to file a Hazardous Waste Manifest that details the hauling of the material from the site and the disposal of it. Pursuant to California law, the Department of Building Inspection (DBI) would not issue the required permit until the applicant has complied with the notice requirements described above. These regulations and procedures, already established as a part of the permit review process, would ensure that any potential impacts due to asbestos would be reduced to a level of insignificance.

Polychlorinated Biphenyls (PCBs)

According to the Phase I assessment, electricity is provided to the subject property via underground cables. There is no evidence of PG&E transformers or other electrical equipment that could contain PCBs. PG&E states that all of its former PCB-containing transformers have been removed, or have had their PCB-containing fluids replaced, since PCBs were banned in the United States by the United Stated Environmental Protection Agency (EPA) in 1977.[35]

Lead

Lead paint may be found in the existing buildings constructed in the late 1800's and early 1900's, and proposed for interior alteration and seismic upgrade with the proposed project. Demolitions must comply with Chapter 36 of the San Francisco Building Code, Work Practices for Exterior Lead-Based Paint. Where there is any work that may disturb or remove lead paint on the exterior of any building built prior to December 31, 1978, Chapter 36 requires specific notification and work standards, and identifies prohibited work methods and penalties.

Chapter 36 applies to buildings or steel structures on which original construction was completed prior to 1979 (which are assumed to have lead-based paint on their surfaces), where more than 10 total square feet of lead-based paint would be disturbed or removed. The ordinance contains performance standards, including establishment of containment barriers, at least as effective at protecting human health and the environment as those in the Department of Housing and Urban Development (HUD) Guidelines (the most recent *Guidelines for Evaluation and Control of Lead-Based Paint Hazards*) and identifies prohibited

[35] AllWest Environmental, Inc., Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California, February 23, 2004, p. 11.

practices that may not be used in disturbance or removal of lead-based paint. Any person performing work subject to the ordinance shall make all reasonable efforts to prevent migration of lead paint contaminants beyond containment barriers during the course of the work, and any person performing regulated work shall make all reasonable efforts to remove all visible lead paint contaminants from all regulated areas of the property prior to completion of the work.

The ordinance also includes notification requirements, contents of notice, and requirements for signs. Notification includes notifying bidders for the work of any paint-inspection reports verifying the presence or absence of lead-based paint in the regulated area of the proposed project. Prior to commencement of work, the responsible party must provide the Director of the Department of Building Inspection with written notice that describes the location of the project; the nature and approximate square footage of the painted surface being disturbed and/or removed; anticipated job start and completion dates for the work; whether the responsible party has reason to know or presume that lead-based paint is present; whether the building is residential or nonresidential, owner-occupied or rental property, approximate number of dwelling units, if any; the dates by which the responsible party has or will fulfill any tenant or adjacent property notification requirements; and the name, address, telephone number, and pager number of the party who will perform the work. (Further notice requirements include Sign When Containment Is Required, Notice by Landlord, Required Notice to Tenants, Availability of Pamphlet Related to Protection from Lead in the Home, Notice by Contractor, Early Commencement of Work [by Owner, Requested by Tenant], and Notice of Lead Contaminated Dust or Soil, if applicable.) The ordinance contains provisions regarding inspection and sampling for compliance by DBI and enforcement, and describes penalties for non-compliance with the requirements of the ordinance.

These regulations and procedures, already established as a part of the permit review process, would ensure that any potential impacts due to lead would be less-than-significant.

Article 22A, San Francisco Health Code

The City has adopted an ordinance (Ordinance 253-86, signed by the Mayor on June 27, 1986) which requires analyzing soil for hazardous wastes within specified areas and on sites specifically designated by the Director of Public Works when over 50 cubic yards of soil is to be disturbed. The ordinance specifically includes sites, such as the project site, which are bayward of the high tide line (as shown on maps available from the Department of Public Works (DPW)). The ordinance is administered through Article 22A of the San Francisco Health Code.

When hazardous wastes are found in excess of State or Federal standards, the sponsor would be required to submit a site mitigation plan (SMP) to the appropriate agency(ies), and to implement an approved SMP prior to issuance of any building permit. Where toxics are found for which no standards are established, the sponsor would request a determination from the San Francisco Department of Public Health (DPH) as to whether an SMP is needed.

Excavation and removal of about 650 cubic yards of soil is proposed with the project, associated with seismic strengthening work. Project excavation is therefore subject to the above ordinance, also known as the Maher Ordinance, which requires that the project sponsor apply to DPH prior to issuance of a building permit, including soils analysis as noted above. Compliance with the ordinance would ensure that any impacts would be less than significant.

Use and Storage on Site During Project Operation

During operation, the proposed project would involve hotel and retail land uses that would require relatively small quantities of hazardous materials for routine business purposes. The project would likely result in the use of common types of hazardous materials such as lubricating oil, paints, cleaners, toners, solvents, and disinfectants. Such products are labeled to inform users of risks and to instruct them in disposal methods and most of these materials are consumed or neutralized through use, resulting in little hazardous waste. Businesses are required by law to ensure employee safety by identifying hazardous materials, providing safety information, and adequately training workers in hazardous material handling. For these reasons, hazardous material use on the project site would not pose a substantial public health or safety hazard.

The Phase I assessment identified three existing 55-gallon above-ground fuel tanks associated with an emergency generator in the basement of the Cocoa Building. These tanks do not exhibit any staining or evidence of leakage.[36] These tanks would remain in place. The existing emergency generator, which includes a 200-gallon above-ground diesel tank, is within concrete secondary containment, and does not present any evidence of leakage.[37] There is no evidence of underground storage tanks (USTs) on the site.[38] The project sponsor is required to comply with current fuel tank safety, hazards, and permit regulations to use the tanks and the generator.

The Phase I identified eleven hydraulic elevators on the project site.[39] The hydraulic fluid within each elevator (Chevron AW 32 oil) is a potential contaminant if released into the environment. The Phase I states that no maintenance chemicals are stored on site and identifies no concerns associated with these elevators. As part of the proposed project, one elevator would be removed. Removal would follow all applicable regulations governing the handling, sampling, testing, manifests, shipping, recycling, and certification of remediation. Removal would be monitored by an outside consultant to ensure the proper removal and disposal of any contaminated fluids that might be found.

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[36] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 12.
[37] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, pp. 12-13.
[38] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 12.
[39] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 11.

The Phase I makes the following recommendations. These would be implemented as part of the proposed project.[40]

- All 55-gallon diesel fuel drums should be stored within secondary containment.
- Unused paints and other maintenance supplies should be disposed in accordance with applicable regulations.

For these reasons, hazardous materials use and storage during project operation would not pose a public health or safety hazard.

Emergency Response and Fire Safety

San Francisco ensures fire safety primarily through provisions of the Building Code and the Fire Code. Existing buildings are required to meet standards contained in these codes. The proposed project would conform to these standards, which (depending on building type) may also include development of an emergency procedure manual and an exit drill plan. Ghirardelli Square has an Emergency Response Plan currently in place which would be updated for the proposed new hotel use. The Emergency Response Plan specifically addresses situations such as earthquakes, fires, and bomb threats. In this way, potential fire hazards (including those associated with hydrant water pressure and emergency access) would be mitigated during the permit review process. Additionally, given the site's close proximity to the Bay, use of the City's Portable Water Supply System, which allows use of Bay water, could be an option in the event of a major fire.

12.	**Cultural Resources** – Could the project:	Yes	No	Discussed
	a) Disrupt or adversely affect a prehistoric or historic archaeological site or a property of historic or cultural significance to a community, ethnic or social group; or a paleontological site except as a part of a scientific study?	__	X	X
	b) Conflict with established recreational, educational, religious or scientific uses of the area?	__	X	__
	c) Conflict with the preservation of buildings subject to the provisions of Article 10 or Article 11 of the City Planning Code?	__	X	X

[40] AllWest Environmental, Inc., *Environmental Site Assessment – Ghirardelli Square Shopping Center, 900 and 915 North Point Street, San Francisco, California*, February 23, 2004, p. 2.

Archaeological Resources

The Ghirardelli Square property was formerly a low bluff overlooking the former shoreline just north of Ghirardelli Square.[41] Ghirardelli Square is located in and near and in the center of four recorded prehistoric sites. The nearest site, one block away, was a prehistoric midden site with human remains that was first reported in the late 1850's. The other prehistoric deposits were determined to be significant in a number of respects, including their age (1500-1700 BP) and the presence of distant trade-exchange materials/objects. Like the Ghirardelli Square property, all four prehistoric sites were located on formerly low, rocky bluffs overlooking the bay.

Given that significant prehistoric deposits have been recorded in the project vicinity, a reasonable potential exists that prehistoric deposits could be present if previously undisturbed soils exist beneath the project site. The proposed seismic strengthening activities would involve excavation at the depth of existing footings and foundations. Since the extent of previous soils disturbance beneath the project site has not been documented, the proposed project may affect previously undisturbed soils. The project would incorporate Mitigation Measure 2, pp. 54-56, which calls for the monitoring of soils-disturbing activities of the project. Implementation of this measure would reduce potential effects related to archaeological resources to a less-than-significant level.

Historic Architectural Resources[42]

Assessment of Impact to a Historical Resource under CEQA

CEQA Guidelines Section 15064.5 calls for a two-step analysis of impacts to historical resources. The first step is to determine whether the property is an "historical resource" under CEQA. The second step (if an historical resource has been identified) is to evaluate whether the project would cause a "substantial adverse change" to the significance of the historical resource.

Because it is individually listed on the National Register, Ghirardelli Square is, by definition, included in the California Register of Historical Resources under Public Resources Code, Section 5024.1(d)(1) (which provides for the automatic inclusion of all California properties formally determined eligible for, or listed in, the National Register of Historic Places). Consequently, as a property listed in the California Register, Ghirardelli Square is determined to be an "historical resource" as defined in *CEQA Guidelines* Section 15064.5(a)(1). Also, as a locally designated landmark under Article 10 of the San Francisco

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[41] San Francisco Planning Department, *Memorandum from Randall Dean to File 2004.0392E (900 North Point Street)*, March 22, 2005. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

[42] For the purposes of this Initial Study, the term "historic architectural resources" is synonymous with the term "historical resources" under *CEQA Guidelines*, Section 15064.5. The former term is used here to exclude archaeological resources which are discussed separately above (although archaeological resources may also be historical resources under CEQA).

Planning Code, Ghirardelli Square is "a resource included in a local register of historic resources" and is therefore presumed to be an historical resource under *CEQA Guidelines*, Section 15064.5(a)(2).

Description of the Historic Resource and Its Ratings

Ghirardelli Square complex is comprised of a collection of buildings built from 1862 to 1968. Ghirardelli Square is representative of early industrialism and commercial manufacturing along San Francisco's Northern Waterfront as well as 19th-Century commercial-style architecture in San Francisco. As a historical landmark, Ghirardelli Square is the former home of Pioneer Woolen Mills (1862-1889) and the D. Ghirardelli & Company chocolate manufactures (1863-1962). After the departure of D. Ghirardelli & Company, the former factory complex became one of the first modern adaptive reuse projects. Ghirardelli represents an achievement in modern landscape design within an urban setting. As one of the first urban festival marketplaces, Ghirardelli Square is a perfect example of an historic industrial complex sensitively designed for contemporary uses.[43]

Ghirardelli Square is included in, or identified in, the following registers and surveys:

- Individually listed on the National Register of Historic Places (1S CHRIS Status Code);
- Designated as San Francisco Landmark Number 30, under Article 10 of the Planning Code;
- Rated "4" in the 1976 Architectural Survey by the Planning Department (on a 0-5 scale, with 5 being the highest rating);
- Identified in *Here Today* on pp. 40-43.

The National Register Nomination Form for Ghirardelli Square identified three phases of the property's historic development that embody its significance. These Periods of Significance are: 1858-1899 (Pioneer Woolen Mills); 1893-1962 (D. Ghirardelli Co.); and 1962-1968 (Ghirardelli Square). The nomination form described the significant features and spaces of the property associated with these periods.[44] In addition to describing those features dating from original construction and operation of the property as an industrial complex, the nomination form described features that were constructed during the 1960's adaptive reuse of the complex as Ghirardelli Square.[45] Likewise, in addition to citing the thematic areas of significance arising from its industrial history as the basis for nomination (architecture, commerce, and industry), the nomination form also identified thematic areas of significance arising from

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[43] San Francisco Planning Department, Memorandum from Mark Luellen, Preservation Technical Specialist, to Carol Roos, Major Environmental Analysis, *900 North Point Street, Historic Resource Evaluation Response*, March 7, 2005. This document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

[44] National Park Service, *National Register of Historic Places Inventory – Nomination Form, Pioneer Woolen Mills and D. Ghirardelli Company*, 1982.

[45] 1962-1968, designed by Architects, Wurster, Bernardi & Emmons and John Matthias; Landscape Architects, Lawrence Halpern & Associates.

the 1960's adaptive reuse of the property (conservation, landscape architecture, sculpture, and "adaptive reuse; urban mall marketplace").

Impacts of the Project

As noted above, once a historic resource has been identified, the second step in CEQA review is to evaluate whether the project would cause a "substantial adverse change" to the resource.

CEQA Guidelines Section 15064.5(b)(1) defines a "substantial adverse change in the significance of an historical resource" as the "physical demolition, destruction, relocation or alteration of the historical resource or its immediate surroundings such that the significance of an historical resource would be materially impaired." Section 15064.5(b)(2) provides that a resource is "materially impaired" when a project "[d]emolishes or materially alters, in an adverse manner, those physical characteristics that convey the resource's historical significance and that justify its inclusion in ...the California Register of Historical Resources."

Under *CEQA Guidelines*, Section 15064.5(b)(3), a project that conforms to the Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings (the "Secretary's Standards") would have a less-than-significant impact on an historical resource under CEQA.[46] As discussed in the Introduction, p. 1, the project sponsor intends to seek Federal rehabilitation tax credits under Sections 48(g) and 170(h) of the Internal Revenue Code. Among the eligibility requirements for this program is review by the State Historic Preservation Office (SHPO), and review and certification by the Secretary of the Interior that the project complies with the Secretary's Standards. The Landmarks Preservation Advisory Board, in its review of the proposed exterior alterations under Article 10, will also apply the Secretary of the Interior's Standards for the Treatment of Historic Properties which it has adopted as an analytic framework to guide its review of Certificates of Appropriateness.

Review under Article 10 of the Planning Code

A Certificate of Appropriateness is required for all exterior alterations to the Ghirardelli Square City Landmark that require a building permit (Planning Code Section 1006, Certificate of Appropriateness Required). A Certificate of Appropriateness may be granted by the Planning Department, with the advice of the Landmarks Preservation Advisory Board (LPAB), if the proposed alterations would "not damage or destroy, the exterior architectural features of the Landmark...," and "not adversely affect the special character or special historical, architectural or aesthetic interest or value of the landmark and its site, as viewed both in themselves and in their setting..." (Planning Code Section 1006.7(b), Standards for Review of Applications).

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[46] The relevant standards for the proposed project are those for "Rehabilitation" (defined as "the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural or architectural values," 36 CFR 67).

Page and Turnbull, the preservation consultant for the project sponsor's team, prepared a *Ghirardelli Square Pre-Design Study* for the project.[47] Based on Page and Turnbull's review of the National Register of Historic Places Inventory – Nomination Form, the Pre-Design Study evaluates the relative historical significance of particular spaces and features of the property that may be affected by the proposed development, in order to provide pre-design direction on project compliance with the Secretary of the Interior's Standards for Rehabilitation.

The Planning Department Preservation Technical Specialist for the Northwest Quadrant of the City reviewed the Pre-Design Study and other materials including project plans and has prepared a Historic Resource Evaluation Response memorandum.[48] The memorandum describes the historical significance of the resource and evaluates project impacts on the resource. The memorandum concludes that the proposed project would conform to the Secretary of the Interior's Standards.

As mentioned above, Ghirardelli Square has three Periods of Significance: the Pioneer Woolen Mills (1858-1869), the D. Ghirardelli & Company (1893-1962), and Ghirardelli Square (1962 to present).

Integrity of a historic resource is defined as the authenticity of an historical resource's physical identity as evidenced by the survival of character-defining features that existed during the resource's period(s) of significance. The National Park Service defines seven aspects of integrity: Location, Design, Materials, Workmanship, Setting, Feeling, and Association.[49] The Page and Turnbull report and the Preservation Technical Specialist Memorandum both conclude that the property retains all seven aspects of integrity and is in good condition.

The proposed project would comply with the Secretary's Standards as follows.[50]

The proposed new hotel use in the Woolen Mill Building, Infill Building, Chocolate Building, Cocoa Building, Mustard Building, and Clock Tower would not remove character-defining features of the resource. The proposed project would continue retail use at the street and plaza levels as contemplated and implemented in the 1960's adaptive reuse. The proposed hotel use would be consistent with the commercial character of the 1960's adaptive reuse.

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[47] Page and Turnbull, *Ghirardelli Square Pre-Design Study*, August 2004. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.
[48] San Francisco Planning Department, Memorandum from Mark Luellen, Preservation Technical Specialist, to Carol Roos, Major Environmental Analysis, *900 North Point Street, Historic Resource Evaluation Response*, March 7, 2005. This document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.
[49] National Park Service, *National Register Bulletin: How to Apply the National Register Criteria for Evaluation.*
[50] A detailed description of the Standards and how the project would conform to them is contained in Michael Kometani, Turnstone Consulting, to Carol Roos, San Francisco Planning Department, Memorandum Regarding Ghirardelli Square Project Conformity with the Secretary of the Interior's Standards for Rehabilitation, July 19, 2005. This document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

The majority of work under the proposed project would be to the interior. No interior features or spaces are specifically identified in the National Register nomination as significant. However, original interior features (like windows, exposed brick walls, and exposed heavy timber framing) are distinctive features that characterize 19th/Early 20th Century industrial buildings and contribute to the historic significance of the resource. Interior features from the 1960's adaptive reuse (building systems, partitions, stair and elevator cores, tenant improvements) do not, in themselves, define or contribute to the significance of the resource. These features were expected to change over time and many interior alterations have occurred since the 1960's. The proposed interior work (for example, partitions, finishes, fixtures) would replace existing interior alterations with newer ones to accommodate a new hotel use, in keeping with the 1960's adaptive reuse.

On the exterior, as presented in the project sponsor's presentation packet to the Landmarks Preservation Advisory Board, submitted to the City as part of the Certificate of Appropriateness application for the project,[51] no character-defining features would be removed under the proposed project, except as follows. Where removal of exterior features or materials is proposed, it would be limited to the following: installations that do not date from the periods of significance, that do not contribute to, or detract from, the historic character of the resource (for example, two 1980's greenhouse additions overlooking the plaza); or features that date from the periods of significance, but are neither distinctive nor character-defining (for example, original brick where new window openings are proposed to be cut, utilitarian rooftop structures that are minimally visible from public rights-of-way, utilitarian metal louvers in window openings at various locations).

The design of proposed interior and exterior alterations is intended to create a contemporary design identity for the hotel that would be readily distinguishable from, yet compatible with, the historic features of the resource that date from each of the resource's three periods of significance.

The existing property continues to convey its significance in relation to each of its three periods of significance. No distinctive interior or exterior features dating from these periods would be removed due to the project.

The proposed project would retain, repair, and stabilize historic materials and features according to accepted conservation methods and practice.

Most existing exterior historic materials and features are serviceable and would not require replacement. They would be repaired. Some limited replacement of window sash, or portions of sash, may be required. Such replacement would match the size, profile, texture, detail, articulation, color, and texture of the original component.

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[51] *Ghirardelli Square Rehabilitation Project, Submission to the Landmarks Preservation Advisory Board*, Planning Department Case Number 2004.0392A, February 2005. A copy of this document is available for review, by appointment, at the Planning Department, 1660 Mission Street, San Francisco, as part of the project file.

Masonry cleaning would use detergents or mild chemical cleaners. Strong alkalis and caustics would not be used.

The rehabilitation would not include additions to existing building envelopes. Proposed new work, including the enclosure of space under existing decks, would not entail the removal of character-defining materials or features. Design of new elements would be readily distinguishable from character-defining features of the property. New work would be compatible with the historic character of the property. The contemporary simplicity and transparency of new work is intended to not draw attention away from or obscure the historic, character-defining features of Ghirardelli Square.

Proposed new work would not cause the loss of character-defining features of the property. The new work would be readily reversible, and if removed in the future, the property would continue to retain its essential integrity.

In view of the above, because the proposed project would conform to the Secretary's Standards, the project would have a less-than-significant impact on an identified historical resource under *CEQA Guidelines,* Section 15064.5(b)(3).

OTHER - Could the project:	Yes	No	Discussed
Require approval and/or permits from City departments other than the Planning Department or the Department of Building Inspection, or from regional, state, or federal agencies?	__	X	X

A discussion of approvals and permits necessary for the project is presented in Compatibility with Existing Zoning and Plans.

SUMMARY OF NEIGHBORHOOD CONCERNS

On April 21, 2005, the Planning Department mailed a Notice of Project Receiving Environmental Review to property owners within 300 feet of 900 North Point Street, tenants on and adjacent to the site, neighborhood organizations, and other potentially interested parties. Additional notices were mailed on April 29, 2005.

Numerous individuals commented and expressed concern regarding potential effects of the proposed project on its surroundings. Concern was expressed regarding the following: the introduction of hotel use on the site; potential visual effects related to the proposed hotel development and rehabilitation of existing on-site buildings; potential displacement of on-site jobs; desire for housing rather than hotel use; increased traffic, buses, parking, and passenger loading associated with hotel use; the effect on air quality from project traffic as well as the potential increase in odors with the introduction of new hotel restaurants on the site; increased noise, particularly late-night noise, due to project operation; the effect on the water

supply of nearby residences due to project construction and operation; project impacts on historic resources; and potential cumulative impacts due to concurrent development of other properties in the vicinity. One commenter stated that the site would probably have less noise with hotel use than existing with weekend concerts. Some commenters believe that the current uses of the site should be maintained, that introduction of a hotel use on the project site is not compatible with existing residential uses in the vicinity and would adversely affect nearby residents.

Comments that pertain to physical environmental issues are addressed in this Negative Declaration by topic. Some comments concern the approval process. Physical environmental concerns and issues raised by the public in response to the notice were taken into consideration and incorporated into the Initial Study by topic as appropriate for CEQA analysis. Comments regarding the merits of the project and those that expressed support for or opposition to the project may be valid concerns. However, these are not CEQA issues. They are more appropriately considered by the Planning Commission and other decision-makers during the project approval process.

While local concerns or other planning considerations may be grounds for modification or disapproval of the proposal, in the independent judgment of the Planning Department, there is no substantial evidence that the project could have a significant effect on the environment.

MITIGATION MEASURES	Yes	No	N/A	Discussed
1. Could the project have significant effects if mitigation measures are not included in the project?	X	—	—	X
2. Are all mitigation measures necessary to eliminate significant effects included in the project?	X	—	—	X

Mitigation Measures

The following are mitigation measures that have been agreed upon by the project sponsor to avoid or reduce potentially significant effects of the proposed project.

Mitigation Measure 1: Construction Air Quality

Interior demolition and construction activities within and around existing buildings would contribute to temporary increases in particulates and exhaust emissions at the project site. To reduce particulate emissions, the project sponsor shall require contractor(s) to spray interior demolition sites with water during demolition, excavation, grading and site preparation activities; spray unpaved construction areas with water at least twice per day; cover stockpiles of soil, sand and other material; cover trucks hauling debris, soil, sand or other material; and sweep surrounding streets during these periods at least once per day. Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable

water be used for dust control activities. Therefore, the project sponsor would require contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. The project sponsor shall require the project contractor(s) to maintain and operate construction equipment so as to minimize exhaust emissions of particulates and other pollutants by such means as a prohibition on idling motors when equipment is not in use or when trucks are waiting in queues, and implementation of specific maintenance programs to reduce emissions for equipment that would be in frequent use for much of the construction period.

Mitigation Measure 2 - Archaeological Resources (Monitoring)

Based on the reasonable potential that archaeological resources may be present within the project site, the following measures shall be undertaken to avoid any potentially significant adverse effect from the proposed project on buried or submerged historical resources. The project sponsor shall retain the services of a qualified archaeological consultant having expertise in California prehistoric and urban historical archaeology. The archaeological consultant shall undertake an archaeological monitoring program. All plans and reports prepared by the consultant as specified herein shall be submitted first and directly to the ERO for review and comment, and shall be considered draft reports subject to revision until final approval by the ERO. Archaeological monitoring and/or data recovery programs required by this measure could suspend construction of the project for up to a maximum of four weeks. At the direction of the ERO, the suspension of construction can be extended beyond four weeks only if such a suspension is the only feasible means to reduce to a less than significant level potential effects on a significant archaeological resource as defined in CEQA Guidelines Section 15064.5 (a)(c).

Archaeological monitoring program (AMP). The archaeological monitoring program shall minimally include the following provisions:

- The archaeological consultant, project sponsor, and ERO shall meet and consult on the scope of the AMP reasonably prior to any project-related soils disturbing activities commencing. The ERO in consultation with the project archaeologist shall determine what project activities shall be archaeologically monitored. In most cases, any soils disturbing activities, such as demolition, foundation removal, excavation, grading, utilities installation, foundation work, driving of piles (foundation, shoring, etc.), site remediation, etc., shall require archaeological monitoring because of the potential risk these activities pose to archaeological resources and to their depositional context;
- The archaeological consultant shall advise all project contractors to be on the alert for evidence of the presence of the expected resource(s), of how to identify the evidence of the expected resource(s), and of the appropriate protocol in the event of apparent discovery of an archaeological resource;
- The archaeological monitor(s) shall be present on the project site according to a schedule agreed upon by the archaeological consultant and the ERO until the ERO has, in consultation with the archaeological consultant, determined that project construction activities could have no effects on significant archaeological deposits;
- The archaeological monitor shall record and be authorized to collect soil samples and artifactual/ecofactual material as warranted for analysis;

- If an intact archaeological deposit is encountered, all soils disturbing activities in the vicinity of the deposit shall cease. The archaeological monitor shall be empowered to temporarily redirect demolition/excavation/pile driving/construction crews and heavy equipment until the deposit is evaluated. If in the case of pile driving activity (foundation, shoring, etc.), the archaeological monitor has cause to believe that the pile driving activity may affect an archaeological resource, the pile driving activity shall be terminated until an appropriate evaluation of the resource has been made in consultation with the ERO. The archaeological consultant shall immediately notify the ERO of the encountered archaeological deposit. The archaeological consultant shall, after making a reasonable effort to assess the identity, integrity, and significance of the encountered archaeological deposit, present the findings of this assessment to the ERO.

If the ERO in consultation with the archaeological consultant determines that a significant archaeological resource is present and that the resource could be adversely affected by the proposed project, at the discretion of the project sponsor either:

A) The proposed project shall be re-designed so as to avoid any adverse effect on the significant archaeological resource; or

B) An archaeological data recovery program shall be implemented, unless the ERO determines that the archaeological resource is of greater interpretive than research significance and that interpretive use of the resource is feasible.

If an archaeological data recovery program is required by the ERO, the archaeological data recovery program shall be conducted in accord with an archaeological data recovery plan (ADRP). The project archaeological consultant, project sponsor, and ERO shall meet and consult on the scope of the ADRP. The archaeological consultant shall prepare a draft ADRP that shall be submitted to the ERO for review and approval. The ADRP shall identify how the proposed data recovery program will preserve the significant information the archaeological resource is expected to contain. That is, the ADRP will identify what scientific/historical research questions are applicable to the expected resource, what data classes the resource is expected to possess, and how the expected data classes would address the applicable research questions. Data recovery, in general, should be limited to the portions of the historical property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archaeological resources if nondestructive methods are practical.

The scope of the ADRP shall include the following elements:

- *Field Methods and Procedures.* Descriptions of proposed field strategies, procedures, and operations.
- *Cataloguing and Laboratory Analysis.* Description of selected cataloguing system and artifact analysis procedures.
- *Discard and Deaccession Policy.* Description of and rationale for field and post-field discard and deaccession policies.
- *Interpretive Program.* Consideration of an on-site/off-site public interpretive program during the course of the archaeological data recovery program.

- *Security Measures.* Recommended security measures to protect the archaeological resource from vandalism, looting, and non-intentionally damaging activities.
- *Final Report.* Description of proposed report format and distribution of results.
- *Curation.* Description of the procedures and recommendations for the curation of any recovered data having potential research value, identification of appropriate curation facilities, and a summary of the accession policies of the curation facilities.

Human Remains, Associated or Unassociated Funerary Objects. The treatment of human remains and of associated or unassociated funerary objects discovered during any soils disturbing activity shall comply with applicable State and Federal Laws, including immediate notification of the Coroner of the City and County of San Francisco and in the event of the Coroner's determination that the human remains are Native American remains, notification of the California State Native American Heritage Commission (NAHC) who shall appoint a Most Likely Descendant (MLD) (Pub. Res. Code Sec. 5097.98). The archaeological consultant, project sponsor, and MLD shall make all reasonable efforts to develop an agreement for the treatment of, with appropriate dignity, human remains and associated or unassociated funerary objects (CEQA Guidelines. Sec. 15064.5(d)). The agreement should take into consideration the appropriate excavation, removal, recordation, analysis, curation, possession, and final disposition of the human remains and associated or unassociated funerary objects.

Final Archaeological Resources Report. The archaeological consultant shall submit a Draft Final Archaeological Resources Report (FARR) to the ERO that evaluates the historical significance of any discovered archaeological resource and describes the archaeological and historical research methods employed in the archaeological testing/monitoring/data recovery program(s) undertaken. Information that may put at risk any archaeological resource shall be provided in a separate removable insert within the draft final report.

Copies of the Draft FARR shall be sent to the ERO for review and approval. Once approved by the ERO copies of the FARR shall be distributed as follows: California Archaeological Site Survey Northwest Information Center (NWIC) shall receive one (1) copy and the ERO shall receive a copy of the transmittal of the FARR to the NWIC. The Major Environmental Analysis division of the Planning Department shall receive three copies of the FARR along with copies of any formal site recordation forms (CA DPR 523 series) and/or documentation for nomination to the National Register of Historic Places/California Register of Historical Resources. In instances of high public interest or interpretive value, the ERO may require a different final report content, format, and distribution than that presented above.

Improvement Measures

The project sponsor has agreed to implement the following improvement measures to reduce impacts of the project that were found in this Initial Study to be less than significant. Improvement measures identified in this Initial Study may be required by decision-makers as conditions of project approval.

Improvement Measure 1: Construction Traffic

Any construction traffic occurring between 7:00 and 9:00 A.M. or between 3:30 and 6:00 P.M. would coincide with peak hour traffic and could temporarily impede traffic and transit flow, although this would not be considered a significant impact. An improvement measure limiting truck movements to the hours between 9:00 A.M. and 3:30 P.M. (or other times, if approved by DPT) would minimize disruption of the general traffic flow on adjacent streets during the A.M. and P.M. peak periods.

MANDATORY FINDINGS OF SIGNIFICANCE	Yes	No	Discussed
1. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or pre-history?	__	X	X
2. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?	__	X	__
3. Does the project have possible environmental effects which are individually limited, but cumulatively considerable? (Analyze in the light of past projects, other current projects, and probable future projects.)	__	X	X
4. Would the project cause substantial adverse effects on human beings, either directly or indirectly?	__	X	__

The potential impacts of the project regarding archaeology and historic resources, as well as other checklist topics individually and cumulatively, are discussed in the text of this document, by topic.

ON THE BASIS OF THIS INITIAL STUDY:

__ I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

X I find that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because Mitigation Measures 1-2 in the discussion have been included as part of the proposed project. A MITIGATED NEGATIVE DECLARATION will be prepared.

__ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

DATE: July 21, 2005

PAUL E. MALTZER
Environmental Review Officer
for Dean Macris
Director of Planning